



Combined Sustainability Statement 2025

(Excerpt from the TAG Annual Report 2025)

GROWING CASHFLOWS

TAG
Immobilien AG



COMBINED SUSTAINABILITY STATEMENT 2025

FOREWORD

The Corporate Sustainability Reporting Directive (CSRD) was not transposed into German law in the 2025 financial year. Originally, the CSRD should have been transposed into national law by 6 July 2024, but the German government failed to meet this deadline. As a result, the existing legal framework for sustainability reporting will remain in place for the 2025 financial year. Mandatory reporting under the CSRD, including extended audit requirements, will only come into force once it has been transposed into national law.

On 26 February 2025, the European Commission published a draft simplification package covering the content of the CSRD, the EU Taxonomy Regulation and the CSDDD (“Omnibus Regulation”). The planned changes are far-reaching and affect all companies that fall within the current scope of the CSRD. The draft proposes a significant reduction in the number of datapoints to be reported for large companies compared to the current version of the CSRD. The content and timetable for the revised version of the ESRS are currently still under development. On 11 July 2025, the European Commission also adopted a delegated act amending ESRS Set 1 Delegated Regulation (EU) 2023/2772; “Quick Fix”). The aim of this regulation is to relieve first-wave companies with further transitional relief in Sustainability Reporting for the reporting years 2025 and 2026. The Omnibus Directive (EU) 2026/470 was published in the EU Official Journal on 26 February 2026 and provides for transposition into national law by 19 March 2027 at the latest. For CSRD reporting, this primarily means more precise application and delimitation rules as well as selective relief in terms of the scope and depth of the sustainability information to be disclosed.

Against the backdrop of ongoing discussions and initiatives to simplify the CSRD requirements and the associated legal uncertainty, particularly with regard to the content and scope of the Sustainability Reporting standards that will apply in future, TAG's Management Board has decided to apply the simplifications granted under the Quick Fix in full for the 2025 financial year. The summarised sustainability statement for the 2025 financial year was also prepared in accordance with the first set of ESRS as a framework within the meaning of Section 289d of the German Commercial Code (HGB).



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1. GENERAL DISCLOSURES (ESRS 2)

1.1.BP-1 - General basis for preparation of sustainability statements

The combined sustainability statement pursuant to Sections 289b and 315b of the German Commercial Code (HGB) (hereinafter referred to as the “Sustainability Report”) for the 2025 financial year was prepared on a consolidated basis. The scope of consolidation corresponds to that of the consolidated financial statements.

The Sustainability Report also includes reporting in accordance with Section 289c HGB at the level of TAG Immobilien AG. TAG Immobilien AG acts as the holding company of the Group. As of the reporting date, TAG Immobilien AG holds less than 1% of the investment properties reported in the Group, so environmental issues are not reported separately. Unless otherwise indicated in the report, the information provided applies both to TAG as a group and to TAG Immobilien AG at the level of the individual company.

The Sustainability Report covers TAG's upstream and downstream value chains.

TAG has not made use of the option to omit certain information on intellectual property, know-how or innovation results. Similarly, no use was made of the exemption provided for in Article 29a(3) of Directive 2013/34/EU (Accounting Directive), according to which no information needs to be provided on future developments or matters that are the subject of negotiations.

Non-financial reporting is carried out in accordance with Sections 289c to 289e of the German Commercial Code (HGB), Section 315c of the German Commercial Code (HGB), including the full application of the first set of the ESRS for the non-financial consolidated statement and the EU Taxonomy Regulation, together with the delegated acts adopted in this regard. In the previous year, the ESRS was applied in part. No framework was applied for the non-financial statement of the parent company, TAG Immobilien AG.

For a description of the business model in accordance with Section 289c (1) HGB, please refer to the chapter “Overview and Group Strategy” in the combined management report. For a description of the most significant non-financial performance indicators in accordance with Section 289c (3) No. 5 HGB, please refer to the chapter “Management System” in the combined management report for the 2025 financial year. The description of the material non-financial risks in accordance with section 289c (3) and (4) of the German Commercial Code (HGB) can be found in the ‘Risk Management’ section of the consolidated management report.



1.2.BP-2 - Disclosures in relation to specific circumstances

Estimates for the value chain

Estimates for the value chain are used in the following areas of the Sustainability Report:

Metrics on consumption and GHG emissions

TAG's energy and carbon footprint, the results of which are published in Chapter 3.7 E1-5 – Energy consumption and mix and 3.8 E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions, incorporates estimates. For instance, projections of energy consumption and resource volumes (inflows and outflows) are used due to incomplete data.

Emission factors are used to calculate GHG emissions from the projected quantities and consumption. Identical emission factors were used for natural gas and heating oil to determine the site- and market-based Scope 2 emissions of the German portfolio. Where available, publicly available data, such as from the Federal Office of Economics and Export Control (BAFA), environmental agencies or DEFRA, is used for the underlying estimates.

For the CO₂ equivalents reported in Scope 3, categories 1 and 2 in connection with the new construction projects in Poland, corresponding emission factors are used, which have been derived from the life cycle assessment (LCA) study by Cushman & Wakefield for a new construction reference project. This applies in particular to the CO₂ emissions from the manufacturing phase (phases A1-A3) as determined by the life cycle analysis in accordance with EN 15978.

To determine emissions from tenant electricity consumption in Germany (category 3.13), an estimate of annual electricity consumption is made based on an evaluation of the number of residents per residential unit reported to TAG and data published by the Federal Statistical Office.

GHG emissions and quantities from maintenance measures in the residential portfolio in Germany are determined on the basis of internal calculations. These are based on reference projects from the 2025 financial year, from which the total GHG emissions or quantities (ESRS E5) of construction activities are extrapolated. The degree of accuracy resulting from the use of these indirectly determined parameters is estimated to be medium. In particular, in the area of TAG's construction activities, case-specific primary data is currently not available across the board on the market. TAG assumes that the data basis will improve in the future, which could increase the degree of accuracy of the data determined. For a detailed description of the parameters and sources used in compiling the data, please refer to the information provided in the relevant sections 3.7 E1-5 – Energy consumption and mix 3.8 E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions, as well as total GHG emissions, and 4.5 E5-4 – Resource inflows and 4.6 E5-5 – Resource outflows.



Sources of estimates and uncertainty in results

In the opinion of the Management Board, the estimates used in connection with TAG's greenhouse gas balance sheet are parameters that are subject to a high degree of measurement uncertainty. Specifically, these are parameters for estimating the electricity consumption of tenants in Germany (Scope 3.13) and parameters for emissions per square metre (Scope 3.1 and Scope 3.2) generated in the course of construction activities in Germany and Poland.

TAG has no knowledge of the electricity consumption of tenants in its German residential portfolio. There is also no data available on the energy mix of tenant electricity consumption. The available data in this area is limited to data collected by third parties and its derivation from average values and emission factors that apply to an entire sector (e.g. emission factor for the electricity mix in Germany).

The actual consumption data for the 2024 financial year used to calculate energy consumption and emissions in Scope 1 and 2 was extrapolated for the 2025 financial year, taking into account changes in inventory. The data is based in part on estimates (e.g. energy performance certificates). This approach leads to updates compared to the data for 2024 carried forward from the previous year's report.

The emission factors used in the topic-specific chapters E1 and E5 were determined on the basis of research conducted by TAG in conjunction with internal consultations with the relevant departments, such as Central Technology, Central Purchasing and Strategic Real Estate Management. In this context, the basis was, in particular, a weighing up of the informative value of the (limited) data available on the market, while at the same time ensuring transparent and comprehensible disclosure of the data in the Sustainability Report.

The quantities of building materials stated in relation to the information on E5-4 and E5-5 are estimates and projections based on internal TAG documentation. For this purpose, reference quantities were determined for each action (e.g. refurbishment of vacant flats, block and complex renovation, energy-efficient renovation) and applied to the respective area affected during the reporting period. Waste generation is also based on estimates using internal records, applicable regulations and relevant waste balances. Waste disposal is carried out by contracted waste disposal companies in accordance with the legally prescribed separation of waste types, and the requirements are laid down in construction and framework agreements. For the extrapolation, waste volumes from a reference project in Germany were applied to all projects started and completed in the 2025 financial year. The division into hazardous and non-hazardous waste and the recycling routes follow the waste codes and waste balances. In Poland, only waste from our own administration is currently recorded (no construction waste). TAG plans to expand data collection on waste volumes in the construction process in the future.



The forward-looking statements contained in this Sustainability Report are based on assessments and conclusions drawn from the information currently available. The statements are based on a number of assumptions relating to future events. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those presented in the forward-looking statements. Many of these risks and uncertainties are related to factors that TAG cannot control, influence or accurately assess. These include, for example, future market and economic conditions, the behaviour of other market participants, developments in the availability of data on GHG emissions, impacts of climate change and government legislative procedures on the disclosure of sustainability information. In particular, the specific impacts of the ongoing finalisation of a version of the CSRD transposed into German law and the associated impacts on the economy, individual markets and industries cannot be conclusively assessed at present. The forward-looking information presented in this report is therefore subject to a high degree of uncertainty.

Inclusion of information by reference

To improve readability and reduce redundancy, TAG has made use of the option to include information by reference. References to other parts of the report have been included in connection with the following ESRS disclosure requirements:

ESRS mandatory disclosure requirement	Title of disclosure requirement	Reference
GOV-5 sec. 36a-b	Risk management and internal controls over Sustainability Reporting	Section 'Risk management' in the combined management report
SBM-3 sec. 48a-b,d,g	Description of material opportunities and risks that could have an impact on TAG's financial position, financial performance and cash flows	Section 'Opportunity and risk report' in the combined management report
SBM-3 sec. 48f-g	Information on the resilience of TAG's strategy and business model in relation to climate change	Section 'Risk-bearing capacity' in the combined management report



Use of simplifications (“Quick Fix”)

In 2025, TAG made use of the temporary simplifications provided for ESRS S2 (employees in the value chain) and ESRS S4 (Consumers and end-users) under the “Quick Fix” regulations. These simplifications enabled TAG to focus its reporting on material topics while complying with the requirements of ESRS 1 Annex C. The information that must be disclosed when applying the temporary simplifications in accordance with ESRS 2 Section 17 is as follows:

INFORMATION IN ACCORDANCE WITH ESRS 2 SECTION 17 – ESRS S2

The sustainability topics covered by ESRS S2 were evaluated by TAG for materiality. For ESRS S2, the impacts on subcontractors and material manufacturers, particularly in the construction industry, were identified as material topics, covering the following (overarching) topics in accordance with ESRS 1 Annex A AR 16:

- Working conditions in the upstream value chain

TAG integrates the impact of material topics into its business model and strategy by enforcing a code of conduct for business partners that ensures compliance with labour laws and ethical standards. Specific health and safety guidelines apply to construction projects in Poland, including mandatory reporting of accidents and inspections. In Germany, existing actions to protect employees are being maintained. TAG has implemented actions to prevent, mitigate and manage significant negative impacts on the workforce in the value chain. For example, grievance systems have been set up to address employee concerns.

TAG has set itself the goal of continuing to ensure health and safety at work and the prevention of fatal accidents on construction sites in Poland, reflecting its commitment to the continuous improvement of health and safety conditions. Regular inspections and the immediate reporting of accidents form part of the actions taken to achieve this goal. The goal was achieved in the 2025 financial year.

INFORMATION IN ACCORDANCE WITH ESRS 2 SECTION 17 – ESRS S4

The sustainability topics covered by ESRS S4 were evaluated by the Company for their materiality. The most important material topics identified under ESRS S4 include affordable housing, community benefits and tenant satisfaction, which cover the following sub-topics under ESRS 1 Appendix A AR 16:

- Social inclusion of consumers and end-users
- Personal safety of consumers and end-users
- Information-related impacts on consumers and end-users



With regard to the material IROs relating to TAG's customers, the Business Principles, the policy statement on respect for and compliance with human rights, the social policy, the environmental policy, the procurement policy and the anti-discrimination policy are particularly noteworthy as material internal guidelines. They apply within the TAG Group as well as to its business partners, customers and other stakeholders. The implementation of these guidelines within TAG is the responsibility of the Management Board. The aforementioned guidelines contain regulations on the following areas, which we consider to be the most important issues with regard to our customers:

- Anti-discrimination/social interaction/equal treatment
- Privacy/data protection/confidentiality
- Health and safety
- Environmentally friendly and sustainable solutions

TAG has also introduced guidelines on tenant engagement, transparent communication and data protection. These guidelines aim to counteract potential negative social impacts such as gentrification while promoting an inclusive and safe living environment. With TAG's entry into the project development business in Poland, a new stakeholder group – buyers of the residential units – has come to the fore. Their satisfaction is a high priority for TAG. Customer service is available to buyers for all questions, from sales and support to after-sales service and property handover. To determine how satisfied customers are with the service, a customer satisfaction survey is conducted during and after each sale in Poland.

TAG has set measurable targets for the sustainable development of its portfolio, investment in the community and tenant satisfaction. Regular tenant surveys are conducted to perform valuation and improve service quality. The Company also attaches great importance to environmental responsibility and social engagement. The Company also addresses risks associated with regulatory changes and increased costs. The targets are as follows:

- Investments in the portfolio in Germany amounting to at least 1.5% of the value of the property volume at the beginning of the respective financial year. Investments are requested and approved as part of a formalised process and tracked through monthly availability reports.
- Promotion of social engagement in Germany and Poland through donations and sponsorship amounting to at least TEUR 200 per year.
- Achieving a customer satisfaction rate of at least 70% in Germany and Poland. In Germany, the valuation is based on the portfolio-wide tenant survey conducted every three years and, in the intervening periods, on monthly sample surveys of our tenants. In Poland, tenant satisfaction is analysed as part of the annual lease renewal process.
- Achieving a buyer satisfaction rate of at least 70% based on the annual Net Promoter Score survey.

The targets set were achieved in the 2025 financial year.



Changes in the preparation or presentation of sustainability information

In the current reporting period, TAG changed the method for determining and presenting resource inflows for construction activities in Poland from contract-based recording to a consistent, area-based calculation based on reference values per square metre in accordance with the results of an LCA study conducted in 2025. In the opinion of the Management Board, this methodology enables a more realistic, consistent and comparable presentation of material consumption between reporting periods, thereby increasing the usefulness of the information. The comparative figures for the previous year have been adjusted accordingly. For further details, please refer to the information in the relevant chapter.

1.3.GOV-1 - The role of the administrative, management and supervisory bodies

The Management Board and Supervisory Board of TAG constitute the administrative, management and supervisory bodies. In the financial year, the Management Board consisted of two members and the Supervisory Board of a total of six members, including two employee representatives. The management and supervisory bodies thus consisted of a total of eight members in the reporting year. In the opinion of the Supervisory Board, all shareholder representatives on the Supervisory Board are to be regarded as independent within the meaning of Recommendation C.7 of the German Corporate Governance Code. The percentage of independent members on the Supervisory Board was thus 66.7%.

Gender diversity, defined as the average ratio of female to male members, was 1:1 in both the Management Board and the Supervisory Board during the reporting period.

The members of TAG's Management Board and Supervisory Board have extensive knowledge in the field of sustainability. On the Supervisory Board, Prof. Dr. Wellner in particular stands out as an expert in the areas of real estate management and sustainability, which are part of TAG's operational business, thanks to her professional career and field of research. This knowledge is continuously expanded and updated, e.g. through participation in training courses and further education measures on current developments and best practices in the field of sustainability. Where necessary, TAG draws on external experts and consultants who can contribute specific expertise on relevant sustainability issues in relation to material impacts, risks and opportunities. These experts support the Company in making informed decisions that meet the high standards of sustainable action.

The TAG Supervisory Board is responsible for reviewing the Sustainability Report. Within the Supervisory Board, Sustainability Reporting and its review are assigned to the Audit Committee. At the Management Board level, Sustainability Reporting, including ESG ratings, is the responsibility of the CFO and Co-CEO, Mr Thiel. Ms Hoyer, COO and Co-CEO, is responsible for sustainability management and operational implementation, including policies and procedures for dealing with material impacts, risks and opportunities within the company. The Management Board reports regularly to the Supervisory Board on current developments in the area of TAG's sustainability goals. The Management Board and the Supervisory Board are involved in relevant decision-making processes, such as the setting of sustainability goals. Beyond that, there were no other specific procedures for impact, risk and opportunity management in the 2025 financial year.



TAG's sustainability strategy is closely linked to the Company's material impacts, risks and opportunities. The governing bodies ensure that existing skills and competencies are directly aligned with these areas. This includes, for example, the ability to identify risks associated with Climate change and develop actions to minimise risks, as well as recognising and exploiting development opportunities. The established governance structures ensure that the strategic sustainability targets are aligned with the operational capabilities and expertise of the institutions.

In the view of the Management Board, this ensures that TAG fulfils its responsibility as a housing Company while also meeting stakeholder expectations for sustainable action and business practices.

1.4. GOV-2- Information provided to and sustainability matters addressed by the company's administrative, management and supervisory bodies

The Management Board and Supervisory Board are regularly informed about sustainability issues. The Management Board is informed in particular by the ESG/Sustainability Management, Strategic Real Estate Management and the interdisciplinary Sustainability Committee about current developments in the area of ESG and the effectiveness of the strategies, actions, metrics and targets that have been adopted. In addition, the Management Board is closely involved in the rating processes and results of the ESG rating agencies. Where relevant, impacts, risks and opportunities are taken into account when monitoring TAG's strategy, making decisions on important transactions and designing the risk management process, and decisions on compromises are made where necessary, weighing up various factors, including economic aspects.

During the reporting period, the Management Board and Supervisory Board dealt in particular with the following material impacts, risks and opportunities:

- Results of the employee survey in Germany (employee satisfaction) (IROs for S1)
- Decarbonisation of the existing portfolio in Germany (IROs for E1)
- Continuation of TAG's social commitment in the context of promoting social projects (IROs for S2 and S4)

1.5. GOV-3 - Integration of sustainability-related performance in incentive schemes

The members of TAG's Management Board receive a fixed remuneration that is not performance-related and a variable remuneration that is paid partly in cash and partly in the form of TAG shares. The fixed remuneration and variable remuneration are paid exclusively by TAG Immobilien AG; no remuneration is paid by subsidiaries.

At TAG's Annual General Meeting on 16 May 2025, a new remuneration system was adopted as part of the regular vote on the remuneration system for the Management Board. The main changes provide for an increase in the proportion of performance-related remuneration in order to promote the sustainable and long-term development of TAG and to strengthen the principle of "pay for performance".



In future, the proportion of basic remuneration in total remuneration will be c. 35–45% (previously c. 50%). For the Short Term Incentive Plan (STIP), the company strategy and business activities in Poland are linked via the strategically relevant performance criteria FFO I per share (45% of the STIP), EBITDA adjusted for the rental business per share (30% of the STIP) and adjusted sales results for Poland per share (25% of the STIP). The achievement of these performance criteria in the STIP is multiplied by a factor of 0.8–1.2 (“modifier”) to determine the overall target achievement. The modifier may include both financial and non-financial targets in collective form or at the level of individual Management Board members. The content of the modifier targets is determined by the Supervisory Board. The STIP accounts for c. 20–30% of total remuneration. The modifier contains ESG targets for the 2025 financial year. Accordingly, up to around 20% of the STIP is subject to ESG requirements. In the Long Term Incentive Plan (LTIP), the proportion of ESG targets has been increased from 20% to 25%. In addition, 25% is measured against EPRA NTA per share and 50% against the relative total shareholder return within the FTSE EPRA/NAREIT Developed Europe Index peer group. The LTIP is expected to account for c. 30–40% of total remuneration.

The proportion of ESG-related remuneration in variable remuneration is therefore around 23%, based on STIP ESG shares of up to 20% and LTIP ESG shares of 25%. The remuneration paid in the 2025 financial year (basic remuneration and variable remuneration STIP based on the 2021 remuneration system) to the members of the Management Board and Supervisory Board has not yet been measured against GHG emission reduction targets. The share is therefore 0%. GHG emission reduction targets within the LTIP will be taken into account from the LTIP tranche beginning on 1 January 2025 on the basis of the 2025 remuneration system.

In the STIP, the maximum payout was increased from 133% to 150% of the target amount. The target amount of the STIP for the 2025 financial year is now TEUR 300 per Management Board member. The maximum payout amount in the LTIP remains unchanged at 200% of the target amount. The target amount of the LTIP for the 2025 financial year is TEUR 400 per Management Board member. The new remuneration system will apply from 1 January 2025.

The Supervisory Board sets measurable and quantifiable ESG targets at the beginning of each tranche. The ESG targets are derived from the corporate strategy and the sustainability targets that are of materiality to TAG. If several ESG targets are selected, the Supervisory Board also determines their relative weighting before the start of the performance period. The ESG targets are drawn from one or more of the following categories:

- Energy efficiency and emission
- Employee qualification and training
- Customer satisfaction
- Social engagement and neighbourhood management
- Employee satisfaction
- Compliance



The ESG targets for the 2025 financial year include, within the STIP modifier, the collective goal of establishing TAG as a socially responsible landlord in Germany that balances affordable housing with the generation of returns. The achievement of these targets will be assessed on the basis of awards received, ongoing and new social commitments, like-for-like rental growth and like-for-like vacancy rates.

Within the LTIP 2025, the Supervisory Board set a target of CO₂ emissions per square metre in the German property portfolio at the end of the performance period or at the last measurable value of 25.6 kg in this period, tenant satisfaction of “very satisfied” or “satisfied” of 70% on average during the performance period, and support for social projects by the TAG Miteinander Foundation on average per financial year during the performance period through donations of TEUR 150. The remuneration system for the Supervisory Board does not include any variable remuneration components.

Further information on the remuneration and incentive systems for the Management Board and Supervisory Board, including sustainability-related performance, can be found in the report on the principles of the Company's remuneration system (remuneration report pursuant to Section 162 of the German Stock Corporation Act (AktG) – section on variable remuneration) within the combined management report.¹⁾

1.6.GOV-4 - Statement on due diligence

The following table provides an overview of where the core elements of due diligence (implemented processes for identifying impacts, risks and opportunities, as well as actions to prevent negative impacts) can be found in the report.

Core element	Reference to Sustainability Report
Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2, ESRS 2 GOV-3, ESRS 2 SBM-3
Involvement of affected stakeholders in all key steps of due diligence	ESRS 2 GOV-2, ESRS 2 SBM-2, ESRS 2 IRO-1, ESRS 2 MDR-P, ESRS S1-2
Identification and assessment of adverse impacts	ESRS 2 IRO-1, ESRS 2 SBM-3
Measures to address these adverse impacts	ESRS 2 MDR-A, ESRS E1-3, E5-2, S1-4
Tracking the effectiveness of these efforts and communication	ESRS 2 MDR-M, ESRS 2 MDR-T, ESRS E1-4, E5-3, S1-5

¹⁾ Unaudited



1.7.GOV-5 Risk management and internal controls over Sustainability Reporting

For a description of the Group-wide risk management system, including the approaches used for risk assessment, the description of the identified material risks and mitigation strategies, and reporting to the management and supervisory bodies, please refer to the section entitled “Risk Management” in the combined management report for the 2025 financial year.

Responsibility for the control system established with regard to Sustainability Reporting lies with TAG’s Management Board. The control system helps to ensure that the organisation and processes for Sustainability Reporting are properly established and supports the optimal functioning of the relevant corporate processes. With regard to the 2025 reporting year, TAG has not yet implemented a comprehensive ICS for Sustainability Reporting. In the course of the 2026 financial year, Sustainability Reporting is to be gradually integrated into the existing internal control system (ICS). The results of the risk assessment and the internal controls relating to the Sustainability Reporting process are an integral part of the relevant internal functions and processes, including the reporting processes.

Two operational risks have been identified as material risks in connection with Sustainability Reporting:

- Incorrect information in the Sustainability Report

The data contained in the Sustainability Report may deviate from the actual data, for example due to incorrect data transfer, and may therefore be inaccurate. To minimise this risk, TAG has implemented upstream and downstream internal controls in connection with data collection and the preparation of the Sustainability Report. The upstream controls are essentially dual control principles that ensure correct and complete data transmission. The downstream controls mainly comprise plausibility checks of the content created by the ESG department, which reports to the CFO and Co-CEO, and by the Management Board. If any anomalies are identified during the internal controls, these are analysed with the departments involved and the report content is adjusted if necessary. The Sustainability Report is prepared centrally using a dedicated tool that enables joint and cross-departmental processing of the individual reporting requirements and presents changes in a transparent manner.

- Missing information in the Sustainability Report

There is a risk that the Sustainability Report may not contain all topics that are material to stakeholders. To minimise this risk, TAG has implemented procedures and processes designed to ensure a complete and CSRD-compliant materiality assessment. These processes include, in particular, the overarching integration of the ESG area into the preparation of the materiality assessment, the involvement of the relevant departments, and the discussion and approval of the results of the materiality assessment by the Management Board.



1.8.SBM-1 - Strategy, business model and value chain

TAG's business model in Germany is focused on the long-term management and rental business for affordable housing. All functions of material importance to property management are carried out by the Company's own staff. In addition, caretaker and craftsman services are provided for the Company's own portfolio. The Company operates a rental business for affordable housing that appeals to a broad cross-section of the population. The Group's own multimedia Company, MMI, supports the provision of television and multimedia services to tenants and expands the range of services offered as part of property management. Energy management is centralised within the subsidiary Energie Wohnen Service (EWS) and encompasses the commercial supply of heat and heating provision within the Group's own portfolio, with the aim of optimising energy management. In the medium term, these services are to be further expanded and supplemented with new services for tenants.

TAG's investments in Germany are primarily made in medium-sized towns and in the vicinity of major cities, as these areas are seen to offer not only growth potential but, in particular, better return opportunities compared to investments in the major cities. Newly acquired portfolios regularly exhibit higher vacancy rates, which are then reduced following acquisition through targeted investments and proven asset management policies. Within Germany, investments are made almost exclusively in regions already managed by TAG, thereby utilising existing administrative structures. Furthermore, local market knowledge is of material importance when acquiring new portfolios. The expansion of business activities into Poland began in 2020 with the acquisition of Vantage Development S.A. ("Vantage"), a property developer based in and focusing its activities on Wrocław. The acquisition of ROBYG S.A., based in Warsaw ("ROBYG"), expanded TAG's platform for developing residential units for its own portfolio in the existing regions of Wrocław, Poznań and, in particular, the Tri-City, whilst also enabling a comprehensive market entry in Warsaw. At the same time, TAG thereby expanded its business model to include the development of residential units for sale. The investment focus is on new-build apartments in major cities with favourable demographic trends, proximity to universities and well-developed infrastructure.

As at the reporting date, TAG employed 1,330 staff in Germany and 467 staff in Poland, compared with 1,312 and 413 staff respectively in the previous year. In Poland, in addition to these employees, TAG also employed associates who, as natural persons, provide services to companies within the TAG Group (associates). For the purposes of financial reporting, they are included in the headcount.

The Group's parent Company, TAG Immobilien AG, employed 634 people as of the reporting date (previous year: 630).

TAG has divided its sustainability targets into economic, social and environmental targets.



The economic goal is to secure the Company's future viability and competitiveness on the basis of its long-term Business model – the successful management and rental of affordable housing in Germany and the construction of new housing for rental business and sale in Poland. TAG's core business is geared towards long-term economic success, solid growth and stability. To this end, we want to maintain and increase the value of our properties. This should ensure positive earnings development. Responsible business conduct (Corporate Governance) is the basis for this sustainable corporate success. TAG Immobilien AG shareholders should be assured attractive returns and lenders should be assured the lowest possible risk on their capital.

Our social targets are focused in particular on the satisfaction of our tenants and employees. Tenants from different social backgrounds should have access to affordable housing. They should be provided with a secure home and good service in the long term. In addition, the focus is on continuing our social and community engagement and improving the quality of life in TAG's residential neighbourhoods. TAG wants to be an attractive employer for its employees, offering optimal working conditions and development opportunities and promoting personal responsibility, co-determination and participation. It is also important to offer employees and future generations secure jobs and to increase their satisfaction with TAG as an employer. In terms of employees in the value chain, the Company also aims to prevent severe accidents at work on TAG's construction sites in Poland.

As part of its long-term decarbonisation strategy for its German portfolio, TAG has specified its environmental targets for a virtually climate-neutral building stock by 2045. It is continuously working to make its property portfolio more climate-friendly and improve its carbon footprint by consuming fewer resources, optimising the use of resources and further improving the energy efficiency of the portfolio. Environmentally friendly portfolio management contributes to reducing CO₂ emissions and achieving climate targets in the building stock. A particular challenge here is reconciling the financing and economic viability of the necessary actions with the targeted emission reductions. In addition, as part of sustainable resource management, one of the targets is to increase material efficiency by taking a holistic view of material flows in accordance with the principle of circular economy.

For a detailed description of the targets, please refer to the sections in Chapter 3.6 E1-4 – Targets related to climate change mitigation and adaptation, Chapter 4.4 E5-3 – Targets related to resource use and the circular economy, and Chapter 5.7 S1-5 – Targets relating to the management of material negative impacts, the promotion of positive impacts, and the handling of material risks and opportunities.

TAG's business model in Germany is focused on portfolio management and the rental business for affordable housing.



Central Procurement manages the supplier relationships required for the relevant procurement processes. Individual orders may also be placed at a local level. Central Procurement determines requirements and places orders on the market in accordance with environmental and economic criteria. Procurement takes place via framework agreements that incorporate compliance requirements and sustainability standards. In most cases, our construction service providers are also connected to an online portal as part of the refurbishment of vacant flats and routine maintenance. We regularly conduct the assessment of our suppliers' performance. The primary valuation based on economic criteria and sustainability matters is carried out by Central Procurement. Our service monitoring forms the second level of assessment. This allows our tenants to evaluate the performance of our subcontractors, whilst our staff also carry out an assessment. In addition, there is continuous monitoring of the framework agreements, during which test certificates, quality reports and control reports, amongst other things, are evaluated.

In Poland, TAG's business model consists of property development for the rental business and sale. The business model is represented by the two subsidiaries ROBYG and Vantage. Both companies strive to create synergies and pool management expertise and selected operational functions. By pooling expertise, the ROBYG Group is expanding its business activities to the institutional rental market, and the Vantage Group is receiving support in the construction and sale of residential units. Material input factors in Poland are the capital required for development and the corresponding human capital in the form of expert employees and a properly established organisational structure.

The relevant development processes begin with a market analysis and the acquisition of the appropriate building land, followed by the preparation of the necessary architectural work and the obtaining of building permits. After the construction phase, which is carried out with the involvement of general contractors and subcontractors, the completed residential units are handed over to the respective buyers or offered for rental business on the Polish market.

TAG's current and future focus is on providing attractive living space at reasonable prices for tenants. By observing ecological requirements and complying with technical guidelines, their health will continue to be protected in the best possible way in the future. This also includes the creation of liveable neighbourhoods. In our view, good living means more than just living within your own four walls. That is why TAG is contributing to the promotion of liveable neighbourhoods through various actions within the framework of neighbourhood development. Tenants should feel comfortable and safe in their residential neighbourhoods. TAG is also involved in the expansion of multimodal and environmentally friendly mobility services in the neighbourhoods. TAG is easily accessible to its tenants and prospective tenants, and information is readily and quickly available. Tenants should be offered fast service and high quality, which is why as many services as possible are provided in-house. These include caretaker and craftsman services, multimedia, mobility and smart home offerings, and energy management.

This business model also enables TAG to secure reliable income and attractive returns for its predominantly long-term national and international investors.

In Poland, our activities also result in the completion and handover of sold residential units, which leads to corresponding revenue recognition in the consolidated income statement.



TAG positions itself at the centre of the value chain by acting as the owner, manager and developer of residential real estate. The Company is responsible for the entire life cycle of the properties it owns, from planning and development to operation, modernisation and maintenance. Relationships with suppliers and service providers are long-term and of strategic importance, particularly with regard to ensuring quality and efficiency in construction and maintenance processes. TAG maintains close relationships with its distribution partners and end-users, focusing on customer satisfaction and service quality.

Upstream value chain:

Suppliers:

- **Construction companies:** TAG works closely with construction companies that are responsible for building new residential complexes (especially in Poland) or modernising and renovating existing properties. These include both large construction groups and specialised craft businesses.
- **Material suppliers:** These supply the necessary building materials, from raw materials such as concrete and steel to installation materials for plumbing, heating and electrical work. Suppliers often include large construction and building materials dealers.
- **Energy suppliers:** An important part of the upstream chain are the energy suppliers who provide the necessary resources for the operation and modernisation of heating and energy systems.

Service providers:

- **Planning and engineering offices:** These provide support in the planning and implementation of construction projects, particularly in the areas of energy efficiency and sustainable urban development.
- **Facility management:** Services for the ongoing maintenance and upkeep of properties are also of central importance for preserving the value and functionality of buildings.

Downstream value chain

Sales channels:

- **Direct sales:** Residential units are usually rented directly to end-users via the Company's own sales channels and platforms.
- **Estate agents and brokers:** In some cases, TAG also works with estate agents to support the rental business or sale of properties.



End-users:

- Tenants/buyers: TAG's main customers are the tenants who live in the managed residential complexes and, particularly in Poland, apartment buyers.
- Local authorities and government agencies: In selected projects, TAG works closely with public authorities, particularly in the development of socially acceptable housing, neighbourhood development or in public-private partnerships.

1.9.SBM-2 - Interests and views of stakeholders

TAG's most important stakeholders include tenants, buyers, employees, business partners and suppliers, shareholders, including banks, financing partners and analysts, cooperation partners such as associations, local politicians and organisations. Their perspectives are material to TAG's business success.

Tenants are involved in the strategy and business model in a variety of ways, as their satisfaction is material to TAG's business success. Personal contacts are available at the tenant offices at the sites. Tenants can contact TAG by letter, telephone, email, tenant app, online form on the residential brand's website, or via social media. Customer management is centrally organised to ensure that our tenants can easily reach us and that their concerns are dealt with quickly. In Germany, feedback on customer service can be provided via the tenant app. TAG also offers housing advice at its main locations. The focus is on senior citizen housing and assisted living. Our tenants can also take advantage of our social counselling services. New and existing tenants also have the opportunity to view show flats or showrooms. Every three years, a portfolio-wide tenant survey is conducted to measure satisfaction with TAG as a landlord and to identify wishes relating to housing. In addition, monthly random surveys are conducted to gauge the satisfaction of existing and new tenants with TAG's service.

With TAG's entry into the project development business in Poland, the buyers of the residential units are another important stakeholder. Our customer service team is available to assist buyers with all matters, from sales and support to after-sales service and property handover. To determine how satisfied customers are with the service, a customer satisfaction survey is conducted during and after each sale. TAG uses the results of the satisfaction surveys to continuously optimise its processes and services.



Continuous dialogue with employees is a material part of our corporate culture. Employees have a wide range of opportunities to get involved. TAG uses various communication channels to keep our employees informed and promote cross-team dialogue. Established information formats include the intranet, email distribution lists, brochures and flyers. Project groups provide opportunities for exchange across sites, disciplines and hierarchies. The individual teams also meet regularly for team meetings and fixed appointments. At our sites and within our teams, we encourage our employees to actively address their concerns. We use annual performance reviews and regular employee surveys to obtain feedback from our employees. The regional works councils and the general works council exchange information at regular intervals on current issues at the sites and within the Group. Information relevant to the Company is discussed with managers and the Management Board. In addition, employees are involved in project groups and thematic workshops. Team events, idea workshops and joint celebrations or sports competitions offer further opportunities for dialogue.

TAG is in regular contact with shareholders, investors, banks and analysts. Personal exchanges take place in particular at international conferences, roadshows and property tours, at the Annual General Meeting and at regular banking and capital market days.

TAG works closely with suppliers and service providers in the management, maintenance and modernisation of its portfolio. We generally maintain long-standing relationships with our trade, commercial and other partners. Direct contact with TAG representatives takes place in person on site, by telephone or by email. Connections with external partners are continuously improved through the optimisation of digital processes, both by the Central Purchasing department and as part of the Group-wide digitalisation project "Mission Future".

TAG is directly and personally involved in tenant support and neighbourhood management. Our neighbourhood management aims to create socially balanced and liveable neighbourhoods. That is why TAG supports local initiatives and interest groups as well as associations and social institutions at its sites. We organise campaigns and events in our neighbourhoods, for example in activity lounges ("Aktiv-Treffs") or community centres.

As one of the largest private housing companies in Germany, we are also the focus of local politics, associations and urban development. We are actively involved in real estate issues. At our main locations, we enable politicians to visit our neighbourhoods. We use these on-site appointments to exchange ideas on housing policy issues. We also actively participate in district conferences and round-table discussions on the topic of housing. When implementing our new construction projects in Poland, we work with the respective local authorities to expand and develop infrastructure, e.g. access roads, cycle lanes and parking spaces, charging stations for electric vehicles and green spaces.



Insofar as the interests and positions of our most important stakeholders have been analysed as part of the identification of material IROs, these are understandable from TAG's perspective. The results of these analyses are always taken into account in our business policy and, where relevant, in our strategy and business model. The Management Board and Supervisory Board are also informed about relevant stakeholder interests and viewpoints at regular Management Board and Supervisory Board meetings.

Information in accordance with ESRS 2 SBM-2 relating to the Company's own workforce (ESRS S1)

Continuous dialogue with employees is an integral part of TAG's corporate culture. One focus here is on ensuring their well-being. We therefore rely on the active participation of our employees at all levels of the Company and open communication on all material issues relating to the Company's development. The workforce is involved in issues of material importance to TAG's Strategy through Group-wide projects. Every employee can apply to participate in the projects, ensuring that the interests and requirements of different departments and regions – including the protection of employee-related human rights – are taken into account. Project managers are appointed to optimally coordinate the various Group-wide projects and ideas. The project managers regularly consult with the responsible member of the Management Board in their work. Company-wide surveys complement the involvement of employees.

In the opinion of the Management Board, the impacts on its own employees identified in the materiality assessment are of a fundamental nature and are not specifically related to TAG's business activities.

In addition, statutory co-determination is possible both through involvement in the works council and through representation on the Supervisory Board. The supervisory board includes two employee representatives. In addition, employees always have the opportunity to submit suggestions for improvement and, if necessary, to hold an individual meeting with their manager. The human resources department and the works council are also always available to answer questions and address concerns from employees.



1.10. SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The identified material impacts, risks and opportunities arise primarily in the upstream value chain, such as in the construction of new residential units in Poland or the maintenance of the existing portfolio in Germany, as well as in the context of TAG's own operations through active portfolio management and the employment of TAG staff. Short-, medium- and long-term time horizons were considered in this regard.

For a description of the material impacts, risks and opportunities identified in the materiality assessment, please refer to the relevant topic-specific chapters within this Sustainability Report.

The results of the materiality assessment are taken into account in the corporate strategy. If the Management Board considers adjustments to TAG's strategy to be necessary, these are analysed and implemented as part of the strategy process. In the reporting period, the Management Board did not consider any adjustments to be necessary. The future impact of the material impacts, risks and opportunities is also currently assessed as low; against this backdrop, no changes to the strategy or business model are currently foreseeable.

For a description of the risks and opportunities that could have a material impact on TAG's financial position, financial performance and cash flows, please refer to the "Opportunities and Risks" section in the combined management report for the 2025 financial year.

For a description of the analysis of TAG's resilience with regard to the identified material impacts and risks, please refer to the section "Risk Management – Individual Risks" in the combined management report for the 2025 financial year.

In the course of updating the materiality assessment in the 2025 financial year, the presentation of individual items was adjusted compared to the previous year: A number of issues that were reported as positive impacts in the previous year's materiality assessment will be reported as actions from the 2025 financial year onwards. These adjustments relate in particular to environmental standards ESRS E1 (Climate change) and ESRS E5 (Resource use and circular economy). Our actions are primarily aimed at reducing negative environmental impacts – for example, by reducing emissions, resource consumption and waste. Positive effects such as higher energy efficiency or increasing circularity usually result directly from these mitigation actions and are often difficult to distinguish from the reduction of negative effects. To improve readability, the option was also taken in the 2025 financial year to summarise similar IROs within the disclosures in accordance with SBM-3.

For a presentation of the identified material impacts, opportunities and risks, please refer to the disclosures on SBM-3 in the topic-specific chapters.



1.11. IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

TAG conducted its first dual materiality assessment in accordance with ESRS 1 in the 2024 financial year. The materiality assessment covered TAG's entire business activities and was conducted independently for the two main areas of activity: portfolio development in Germany and project development in Poland. For this purpose, groups of experts, each consisting of the ESG teams and the relevant specialist departments, carried out the analysis with the support of external consultants on the basis of the qualitative characteristics of information in Appendix B to ESRS 1 and the relevant accompanying information in the individual ESRS. In the first step, a stakeholder analysis was carried out and the list of stakeholders in the previous Sustainability Report was expanded in detail. Experts from TAG Germany and the Polish subsidiaries represented the relevant stakeholder groups. Thanks to their proximity to and close exchange with the relevant stakeholders, they have a good insight into their interests. For this reason, a suspension of the external stakeholder survey was decided on. The analysis results of TAG Germany and the Polish subsidiaries were then combined.

In a second step, impact materiality, i.e. the inside-out perspective, and financial materiality, i.e. the outside-in perspective, were analysed. Here, a distinction was made between whether it was an IRO at Company level, portfolio level or both.

As part of the impact materiality, the impacts of TAG's business activities on the respective business areas concerned were considered in terms of the environment, people and/or society. They were assessed with regard to

- Type of impact: actual or potential
- Cause of the impacts: directly caused by the Company or influenced by its business activities
- Location: within its own operations or in the upstream value chain or downstream value chain
- Time horizon of the impacts: short term as up to one year, medium term as over one year to five years and long term as more than five years.



The dimensions used for the valuation were extent, scope, irremediability and probability of occurrence. The valuation scales ranged from 0 to 5 for extent, scope and irremediability, and from 1 to 4 for probability of occurrence:

Extent	Scope	Irremediability	Likelihood
5 - Very high impact	5 - Global scope	5 - Not to be remedied	
4 - High impact	4 - Wider scope	4 - Very difficult/ long-term to remedy	4 - Very likely (Factor 1)
3 - Moderate impact	3 - Moderate scope	3 - Difficult/ medium-term to remedy	3 - Probable (Factor 0.85)
2 - Low impact	2 - Concentrated scope	2 - Can be remedied with time and cost	2 - Unlikely (Factor 0.7)
1 - Very low impact	1 - Limited scope	1 - Relatively easy/ short-term to fix	1 - Very unlikely (Factor 0.65)
0 - No impact	0 - No impacts	0 - Very easy to fix	

The quantitative classification of impacts is based on the product of the severity (sum of extent, scope and, in the case of negative impacts, irremediability) and, in the case of potential impacts, likelihood. This results in a value between 0 and 15. From a classification of 8 onwards, impacts are considered material in terms of double materiality for the Sustainability Report.

In the case of a possible negative impact on human rights, the severity was given priority over the probability of occurrence.

The quantitative assessment of the financial materiality of risks and opportunities is based on the assessment dimensions of financial magnitude and likelihood. The financial impacts were assessed on a scale from 0 (no financial impact) to 5 (very high financial impact). The product of the financial impact and the likelihood results in a quantitative valuation between 0 and 5. Risks and opportunities with a quantitative valuation of 3 or higher are considered material in terms of double materiality for the Sustainability Report. The nature and time horizon of the opportunities and risks were considered in the same way as the valuation of impact materiality.

As a general rule, there are often correlations between the identified risks, opportunities and impacts.

After completing the independently conducted materiality assessments for the two different areas of activity in Germany (portfolio management) and Poland (project development), the results were consolidated at Group level in accordance with the maximum principle and the completeness principle, taking materiality into account. IROs that were not identical in content were combined in accordance with the completeness principle. IROs with identical content were merged according to the maximum principle, i.e. the higher valuation of an impact, opportunity or risk was generally included in the Group analysis. The IROs were then reviewed from the TAG Group's perspective and, where necessary, additions or adjustments were made and the quantitative valuation of the impact or financial materiality was adjusted.



The Risk Management department was involved throughout the entire process. The results were then discussed with the Management Board in the 2024 financial year and presented to the Supervisory Board for discussion at a meeting.

Sustainability risks are given the same priority as all other risks within the Group.

The materiality assessment was reviewed for currency in the 2025 financial year. As a result, there were no changes to the topics identified as material. The next regular review of the materiality assessment will take place on 31 December 2026.



E1-IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The identification and valuation of material climate-related impacts, risks and opportunities was carried out taking into account both physical and transitional climate risks.

In addition, as part of TAG's climate risk and vulnerability assessment, the potentially damaging consequences of physical climate risks were analysed with a focus on its own business activities for the existing portfolio and project development, as well as possible adaptation solutions designed to minimise climate risks considered to be material. The upstream and downstream value chains were not explicitly included in the climate risk and vulnerability valuation. The valuation takes into account both external factors (in particular climate projections) and internal factors, i.e. factors that TAG can influence (e.g. construction or portfolio-changing actions). The external impact drivers are scenario-dependent and describe different climatic impacts. The internal impact drivers are scenario-independent and perform the valuation of the sensitivity and vulnerability of the real estate portfolio.

The climatic impacts of the external impact drivers were evaluated from scientific climate projections by the IPCC for four scenarios. The result of the external impact drivers is the location-specific exposure of each building to the seven defined climate risk drivers. For the results of the analysis, please refer to our comments in chapter 3.3 E.1.ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model in this section.

The internal impact drivers can be divided into building-specific and impact-specific factors. The building-specific factors assess the damage that could potentially be caused by the realisation of physical climate risks. To this end, the buildings in the portfolio are divided into damage classes based on their monthly target rent, the revenue to be generated or the construction costs incurred to date. Impact-specific factors categorise the potentially harmful climate impact for each risk driver for the real estate portfolio. The valuation of impact relevance is based on expert assessments from the specialist departments involved. Together with the damage class, this valuation determines the sensitivity of each building to the individual climate risk drivers. Sensitivity represents the gross damage potential. Implemented adaptation actions describe physical and non-physical actions that can minimise the gross damage potential (= sensitivity). Experts from the various specialist departments have assessed the existing adaptation actions for each climate risk driver. In particular, climate risks and their impacts on the building fabric, the residential environment and tenants were assessed. Combining these adaptation solutions with sensitivity yields vulnerability – the so-called net damage potential. Combining vulnerability with exposure yields the qualitative climate risk per building per risk driver per scenario.

In addition to the physical climate scenario analysis, in 2023 we conducted an in-depth analysis of climate-related transitional risks and opportunities and their impact on business activities, strategy and financial planning based on four representative climate change narratives²⁾. The various narratives reflect a range and series of possible developments and highlight potential risks and uncertainties.³⁾ Transitional risks arise from the transition to a low-carbon global economy and are temporary, but can be significant in terms of their scale and intensity.

2) Narrative 1: Business as usual, Narrative 2: Social/technical focus intensifies/becomes more uncertain, Narrative 3: Regulatory focus intensifies/becomes more uncertain, Narrative 4: Worst-case scenario: Too little, too late

3) The upstream and downstream value chains were not explicitly included in the analysis.



The four material transitional driver categories are society, technology, economy and regulation, for each of which three to four risk drivers have been considered. The model focuses on quantifying the impact of these transitional risks on relevant corporate metrics through 2030⁴⁾ using risk drivers. These are parameter-based factors that could significantly impact TAG's future business performance. They were identified by TAG experts and made measurable through defined parameters for the four different climate change narratives.

The following risk drivers were considered in the four transitional driver categories:

Society:

- Demographic change
- Socio-economic framework
- Urbanisation and housing demand
- Reputation and business partners

Technology:

- Renovation wave
- Innovative energy supply
- Digitalisation and networking

Economy:

- Energy and CO₂ prices
- Construction industry and price fluctuations
- Residential real estate market
- Financing and subsidies

Regulation:

- Rent control
- (Energy) requirements for new and existing buildings
- Disclosure requirements and ESG compliance

Standard market studies on the German and Polish residential property markets were used to check the plausibility of the valuation of possible consequences.

The quantitative valuation of the transitional scenario analysis has not yet been finalised. At this point in time, the Management Board assumes that there are no assets that are not compatible with the transition to a climate-neutral economy.

4) No long-term time horizons were considered in the analysis of transitional risks.



By precisely quantifying potential transitional risks, TAG will in future be able to estimate the effects of the individual drivers in the various climate change narratives on financial performance indicators. In the Management Board's opinion, this will enable data-based decisions to be made, strategic risk mitigation actions to be planned and the long-term financial performance of the portfolio to be ensured.

E5-IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities associated with resource use and the circular economy in relation to resource use and the circular economy

As part of the assessment of material impacts, opportunities and risks associated with resource use and the circular economy, the key material flows along TAG's value chain were identified with regard to its assets and business activities and subsequently evaluated. The valuation was based on the fundamental assumption that resource use within the Group is primarily concentrated on the management and refurbishment of the existing portfolio, as well as on new-build activity in Poland. Resource use arising from the business operations of central functions such as Marketing & Sales, Controlling and Group Accounting is considered to be comparatively low.

TAG has only limited influence over tenants' resource use within the downstream value chain. For instance, the use of water and electricity is influenced in particular by tenants' individual behaviour. Through targeted actions, such as information letters and the installation of water-saving devices, TAG can to a limited extent promote responsible usage behaviour.

The identification and valuation of material issues was carried out by the relevant specialist departments, such as Central Procurement, Central Technical Services, Strategic Property Management and the ESG teams. With regard to the topics of resource use and the circular economy, material stakeholder groups were also involved indirectly via representatives from TAG's specialist departments, who, due to their proximity to and close interaction with the relevant stakeholders in the course of day-to-day business, have a good insight into their interests. Furthermore, we engage in dialogue on specific topics as part of our activities. For example, we collaborate with external service providers when analysing relevant material flows. In accordance with legal provisions, we involve our tenants in the planning of construction and renovation measures in the respective neighbourhoods through tenants' meetings. In the case of new builds, for example, specialist experts are consulted for environmental assessments as part of investment planning and the due diligence review of the site, and contact with interested parties and customers is maintained even during the construction phase.

The significant impacts, risks and opportunities identified therefore relate primarily to the upstream value chain, i.e. in connection with the construction of new residential units in Poland and refurbishment and maintenance measures in the existing portfolio, as well as to TAG's own operations and core business of property management.



Construction and refurbishment projects in particular, but also maintenance measures, lead to significant consumption of raw materials and building materials, as well as the generation of large quantities of waste. They are therefore among the resource-intensive business activities. In this respect, building materials (in particular concrete and steel for new-build projects in Poland, as well as paints, floor coverings and insulation materials for maintenance and modernisation work on the German portfolio) are among the most important resources used within the TAG Group, followed by fuels (e.g. petrol, diesel; for information on fuels and energy sources, please refer to Chapter 3.7 E1-5 – Energy consumption and mix), as well as technical equipment and office supplies (e.g. office equipment, tools and machinery).

If we were to remain in or return to a “business as usual” Scenario (e.g. by using non-regional or non-certified materials), this could have negative environmental impacts (e.g. an increased carbon footprint and difficulties with supply chain traceability due to long transport routes). This could be accompanied, for example, by potential financial risks due to quality losses, longer delivery times and delays in execution.

By prioritising the use of environmentally friendly, recyclable and renewable materials and products, resource consumption can be reduced. By focusing on regionally available materials, products and suppliers, supply chains can be shortened and dependencies reduced, thereby lowering the risks of price increases and supply bottlenecks. Investments in resource-efficient technologies and digital solutions can also contribute to resource conservation, as they lead to reduced paper consumption, for example. The use of environmentally friendly, products with longevity and health-friendly materials also helps to protect the health of our tenants and maintain the value of our portfolio.

E2-IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to pollution, water

TAG has systematically reviewed its sites and business activities in order to identify actual and potential impacts, risks and opportunities related to pollution, both in its own operations and in the upstream and downstream value chains. In particular, internal assessment procedures and evaluations were used for this purpose. TAG did not conduct any consultations, particularly with affected communities, during the reporting period.

As a result, Standard E2 was assessed as not having any material impact on TAG's business activities overall.

E3-IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to water and marine resources

TAG has systematically reviewed its assets and business activities to identify actual and potential impacts, risks and opportunities related to water and marine resources, both in its own operations and in the upstream and downstream value chains. In particular, internal assessment procedures and evaluations were used for this purpose. TAG did not conduct any consultations, particularly with affected communities, during the reporting period.

As a result, Standard E3 was assessed as not having any material impact on TAG's business activities overall.

**E4-IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems**

TAG systematically analysed its own sites and the upstream and downstream value chains to identify and assess material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems. Actual and potential impacts on biodiversity and ecosystems as well as dependencies on ecosystem services were evaluated on the basis of internal assessments. On this basis, TAG also identified transition and physical risks and opportunities related to biodiversity and ecosystems and took systemic risks into account. Based on internal assessments, no sites in or near biodiversity sensitive areas were identified, nor were any resulting negative impacts identified, meaning that no need for remedial measures within the meaning of the aforementioned guidelines and standards was determined in accordance with ESRS E4 IRO-1 Tz. 19(b). TAG did not conduct any consultations with affected communities on sustainability assessments of shared biological resources and ecosystems during the reporting period.

As a result, Standard E4 was assessed as not material to TAG's business activities overall.



1.12. IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability statement

An overview of the disclosure requirements followed in the preparation of the Sustainability Report, based on TAG's materiality assessment, can be found in the table of contents for the consolidated non-financial statement within the consolidated management report for the 2025 financial year.

The Sustainability Report contains the following datapoints, which are derived from the EU legislation attached as Appendix B to ESRS 2. The individual disclosures can be found in the relevant topical chapters or sub-chapters of this Sustainability Report.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27 57) , Annex II		1.3 / p. 70
ESRS 2 GOV-1 Percentage of Board members who are independent, paragraph 21 (e)			Comission Delegated Regulation (EU) 2020/1816, Annex II		1.3 / p. 70
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1				1.6 / p. 73
ESRS 2 SBM-1 Involvement in activitiesrelated to fossil fuel activities, paragraph 40 (d) i	Indicators number 4 Table#1 of Annex 1	Article 449a Regulation (EU) No 575/2013;Commission Implementing Regulation (EU) 2022/2453 (28 58) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Comission Delegated Regulation (EU) 2020/1816, Annex II		not relevant
ESRS 2 SBM-1 Involvement in activitiesrelated to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Comission Delegated Regulation (EU) 2020/1816, Annex II		not relevant
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29 59), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not relevant



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not relevant
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	3.3 / p. 118
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		not material
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		3.6 / p. 125
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				3.7 / p. 129
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1				3.7 / p. 129
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				3.7 / p. 129



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions, paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		3.8 / p. 131
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicators number 3 Table#1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		3.8 / p. 131
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – climate change physical risk: Exposures subject to physical risk.			phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – climate change transition risk: Loans collateralised by			phase-in



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
		immovable property – energy efficiency of the collateral			
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Comission Delegated Regulation (EU) 2020/1818, Annex II		phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				not material
ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex 1				not material
ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table 2 of Annex 1				not material
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1				not material
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				not material
ESRS E3-4 Total water consumption in cubic metre per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex 1				not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				not relevant



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				not relevant
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				not material
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				not material
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				not material
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				4.6 / p. 142
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1				4.6 / p. 142
ESRS 2- SBM3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				5.2 / p. 149
ESRS 2- SBM3 - S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				5.2 / p. 149
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				5.3 / p. 150
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21				Comission Delegated Regulation (EU) 2020/1816, Annex II	5.3 / p. 150
ESRS S1-1 processes and measures for preventing	Indicator number 11 Table #3 of Annex I				5.3 / p. 150



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
trafficking in human beings, paragraph 22					
ESRS S1-1 workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				5.3 / p. 150
ESRS S1-3 grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				5.5 / p. 152
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Comission Delegated Regulation (EU) 2020/1816, Annex II		5.12 / p. 160
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				5.12 / p. 160
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Comission Delegated Regulation (EU) 2020/1816, Annex II		5.13 / p. 161
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				5.13 / p. 161
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				5.14 / p. 162
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Comission Delegated Regulation (EU) 2020/1816, Annex II Comission Delegated Regulation (EU) 2020/1818 Art 12 (1)		5.14 / p. 162
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and number 13 Table #3 of Annex I				not material



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Quick-Fix application
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and number 4 Table #3 of Annex 1				Quick-Fix application
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Comission Delegated Regulation (EU) 2020/1816, Annex II Comission Delegated Regulation (EU) 2020/1818, Art 12 (1)		Quick-Fix application
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Comission Delegated Regulation (EU) 2020/1816, Annex II		Quick-Fix application
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex 1				Quick-Fix application
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 Annex 1		Comission Delegated Regulation (EU) 2020/1816, Annex II Comission Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex 1				not material



Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Sustainability Report reference (chapter/page)
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Quick-Fix application
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Comission Delegated Regulation (EU) 2020/1816, Annex II Comission Delegated Regulation (EU) 2020/1818, Art 12 (1)		Quick-Fix application
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex 1				Quick-Fix application
ESRS G1-1 United Nations Convention against corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				7.2 / p. 166
ESRS G1-1 Protection of whistle- blowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				7.2 / p. 166
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Comission Delegated Regulation (EU) 2020/1816, Annex II		7.5 / p. 170
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				7.5 / p. 170

For an explanation of the process for identifying the material information to be disclosed in relation to TAG's material IROs, including the use of materiality thresholds in the materiality valuation, please refer to the discussion in Section 1.11 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities. Consequently, the standards E2 – Pollution, E3 – Water and Marine Resources, E4 – Biodiversity and S3 – Affected Communities have been assessed as not relevant to TAG's business activities.



ENVIRONMENTAL INFORMATION

2. INFORMATION PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (EU TAXONOMY REGULATION)

The EU Taxonomy Regulation (EU) 2020/852 (hereinafter referred to as the EU Tax Regulation) is at the heart of the European Commission's Action Plan on Financing Sustainable Growth. It aims to support the achievement of the European Green Deal's Targets and make Europe the first climate-neutral continent by 2050. The EU Tax Regulation is intended to promote a common, holistic understanding of the environmental sustainability of economic activities and investments and to direct capital flows towards sustainable economic activities and sustainable companies. As a European classification system, the regulation provides consistency, binding and detailed rules on which economic activities are considered environmentally sustainable in the EU. The EU Tax Regulation obliges companies to report transparently on their environmentally sustainable activities using consistency in metrics.

According to the EU Tax Regulation, economic activities are considered "environmentally sustainable" or "taxonomy-aligned" if they

- make a material contribution to one or more of the six EU environmental objectives,
- do not significantly harm the other environmental objectives, and
- comply with minimum social standards.

The six environmental objectives set out in the EU Tax Regulation are:

1. Climate Change Mitigation (CCM)
2. Climate Change Adaptation (CCA)
3. Sustainable Use and Protection of Water and Marine Resources (WTR)
4. Transition to a Circular Economy (CE)
5. Pollution Prevention and Control (PPC)
6. Protection and Restoration of Biodiversity and Ecosystems (BIO)

The specific assessment of the requirements is based on sector-specific technical evaluation criteria, which were published in 2021 in the form of a delegated act, Delegated Regulation (EU) 2021/2139 supplementing the EU Tax Regulation. The technical assessment criteria for the first two environmental objectives, "Climate Change Mitigation" and "Climate Change Adaptation", were specified first. The technical assessment criteria for each economic activity are defined in Annexes I and II of the delegated act and include criteria for a "Substantial Contribution" (SC) to one of the two environmental objectives as well as the "Do No Significant Harm" (DNSH) criteria. In addition, it must be ensured for the individual economic activities that companies comply with the minimum social requirements ("Minimum Safeguard" (MS) criteria) in accordance with Article 18 of the EU Tax Regulation.

Due to its business activities, the criteria set out in Annex I and II No. 7 "Construction and real estate" are essentially material for TAG. These technical assessment criteria relate to new construction, the renovation of existing buildings, individual energy efficiency measures, and the acquisition and exercise of ownership of buildings.



Revenues, CapEx and OpEx that overlap with the activities “3.1 New construction” and “3.2 Renovation of existing buildings” of the environmental objective (4) “Transition to a Circular Economy” and “2.1 Hotels, holiday accommodation, campsites and similar accommodation” from the operation of TAG’s serviced apartments in environmental objective (6) “Protection and Restoration of Biodiversity and Ecosystems”, we assign in full to environmental objective (1) “Climate Change Mitigation” in order to avoid double counting.

Reporting obligations

The EU Tax Regulation came into force on 12 July 2020. The associated reporting requirements will initially apply from 1 January 2022 for the two environmental objectives “Climate Change Mitigation” and “Climate Change Adaptation”. From 1 January 2024, companies will also be required to report on their fulfilment of the other environmental objectives. The content and presentation of the information to be published by companies has been specified by the European Commission in a further delegated act, Delegated Regulation (EU) 2021/2178.

Companies that are required to publish a non-financial statement or a consolidated non-financial statement in accordance with Art. 19a or Art. 29a of Directive 2013/34/EU (EU Accounting Directive) report in accordance with Art. 8 in conjunction with Art. 27(2)(a) EU Tax Regulation, report on the environmentally sustainable share of their revenues, CapEx and OpEx in relation to environmental objectives since the 2022 financial year. The obligation to disclose the required information therefore also applies to TAG as a capital market-oriented real estate company.

In the 2025 reporting year, TAG took advantage of the option to apply the new Delegated Regulation on EU Taxonomy (2026/73) early and, in particular, used the updated, streamlined reporting forms. The introduced 10% de minimis threshold for turnover, CapEx and OpEx has no impacts on TAG, i.e. a full valuation of taxonomy eligibility and compliance will continue to be carried out. TAG also considers the OpEx KPI to be significant within the meaning of the EU Tax Regulation and will not make use of the option to omit reporting on OpEx in the 2025 financial year. At the same time, the specified DNSH criteria (including a focus on substances on the REACH candidate list and clarifying exceptions) were taken into account for the first time in the 2025 financial year. This did not have any material impact on the results of the EU taxonomy reporting.



Process for implementing the EU taxonomy in the Company

In order to implement the requirements of the EU Tax Regulation, TAG formed a project team in the 2021 financial year consisting of the Group Accounting, Controlling and Strategic Real Estate Management (Sustainability Management) departments. The project team analysed all TAG business activities with regard to their compliance with the activities described in the EU Tax Regulation. The analysis was based on the activity descriptions and NACE Codes listed in the sector-specific technical assessment criteria. In addition, the list and breakdown of TAG's business activities in accordance with accounting and reporting (accounting data, accounts) was used. Within the framework of the regulations, premises and specifications were made for the consideration of the data in the denominator and numerator of the metrics, and the data was evaluated and processed accordingly.

Disclosure of the required information

Taxonomy eligibility

As a residential real estate group, in addition to its rental business, the Group's material activities since the expansion of its business area to Poland in the 2020 financial year have also included the construction of new residential units for subsequent sale. The main activities of TAG analysed and identified as taxonomy-compliant in the reporting for the financial years 2021 to 2024 will generally remain unchanged in the 2025 financial year.

As in the previous year, revenue from other services not related to technical assessment criteria, such as rental and sales revenue from parking spaces, was identified as non-taxonomy-compliant. In the area of capital expenditure, non-taxonomy-compliant expenditure relates in particular to capitalised investments not related to technical assessment criteria, such as investments in fire brigade access roads or waste disposal sites. Non-taxonomy-compliant operating expenditure relates in particular to non-capitalised operating expenditure, e.g. in connection with cleaning and disposal costs, which are not related to the technical assessment criteria.

Taxonomy alignment

In order to identify taxonomy-aligned activities, TAG's taxonomy-aligned activities were reviewed on the basis of whether they met the criteria for a significant contribution to one of the two environmental objectives of "Climate Change Mitigation" or "Climate Change Adaptation" ("Significant Contribution" – SC) and the associated criteria for avoiding significant harm to other environmental objectives ("Do No Significant Harm" – DNSH). The review was based on the relevant asset for revenues, investments and operating expenses. In addition, an analysis and review was conducted to determine whether the minimum social requirements ("Minimum Safeguards" – MS) were met in the course of the activities.

**Criteria for materiality and avoidance of harm to other environmental objectives (SC and DNSH criteria)**

A large proportion of taxonomy-eligible activities are attributable to activity 7.7 "Acquisition and ownership of buildings" due to the rental business. Rental revenues as well as CapEx and OpEx for buildings that meet the technical requirements defined in Del. Regulation (EU) 2021/2139 were initially classified as fundamentally taxonomy-aligned in the analysis. For buildings in the rental business in Poland for which the building application was submitted after 31 December 2020, in accordance with the provisions of Del. Regulation 2021/2139 based on the technical criteria of activity 7.1 "New construction for subsequent sale". The DNSH criteria for activity 7.7 are limited, with regard to the environmental objective of "Climate Change Mitigation" for the 2025 financial year, to the implementation of a robust climate risk and vulnerability assessment in relation to the physical climate risks material to the activity, in accordance with the requirements set out in Annex A to Appendix I of del. Regulation (EU) 2021/2139.

TAG, together with a scientific partner, has carried out such a climate risk and vulnerability assessment for TAG's entire real estate portfolio in Germany and Poland based on the specified climate scenarios (RCP 2.6, RCP 4.5 and RCP 8.5 of the Intergovernmental Panel on Climate Change (IPCC)). The RCP 4.5 scenario is decisive for the risk assessment. According to the United Nations, this scenario represents the increase in global average temperature that is likely to be expected based on the national climate protection contributions currently being implemented and specified. (UNEP Emissions Gap Report 2023). In the RCP 4.5 scenario, there are no climate risks at the level of the entire Company with an extreme valuation in the time horizon up to 2030 or 2045.

The CapEx of activity 7.7 is classified as taxonomy-aligned, provided that the SC and DNSH criteria for activity 7.7 are met. The relevant SC criterion for activity 7.7 in relation to the environmental objective "Climate Change Mitigation" is, for buildings constructed by 31 December 2020, an energy performance certificate of class A or, alternatively, a classification in the top 15% of the national or regional building stock in terms of primary energy demand. For buildings constructed after 31 December 2020, the SC criteria for activity 7.1 New Construction shall be used.

With regard to the high requirements for new buildings, there is still uncertainty in Poland regarding the interpretation of the requirements of the EU Tax Regulation and the quality of evidence. In addition, the share of total Group revenues generated from the rental business in Poland in the 2025 financial year will be less than 2%. Against this background, TAG has decided to classify TAG's activities in Poland as non-taxonomy-aligned overall, as in the previous year. This preliminary assessment may change in the future as the regulation is further applied and the associated scope for interpretation is clarified.



In addition to activities 7.1 and 7.7, the capital expenditure (CapEx) and operating expenditure (OpEx) for the 2025 financial year were analysed to determine whether they relate to activities that can be classified under economic activities 7.2 to 7.6 of the del. Regulation (EU) 2021/2139. The technical assessment criteria for activities 7.2 to 7.6 were applied to these CapEx and OpEx to verify taxonomy compliance. Existing questions of interpretation and scope for interpretation were applied by TAG based on the current state of knowledge with regard to the regulatory purpose of the EU Tax Regulation. The technical assessment criteria published by the EU allow for room for interpretation, particularly with regard to the characteristic of "top 15% of the national or regional building stock". This results from the required disclosure in relation to the "national or regional building stock" without a specific reference to a database or benchmark. Furthermore, the term "regionality" is not explained in detail in the delegated acts. In addition, the thresholds for classification into the corresponding energy efficiency classes vary across Europe, which limits the comparability of the data. TAG has therefore based its determination of the top 15% of the building stock in Germany in terms of current taxonomy compliance on the updated version of the joint study by the vdp (Association of German Pfandbrief Banks) and Drees & Sommer from June 2025. According to this, residential buildings with a primary energy demand or consumption of up to and including 74 kWh/sqm are considered to be in the top 15%. As a result of this analysis, around a quarter of our residential units are classified in the top 15% of the German building stock.

Compliance with minimum social requirements (MS)

Another criterion for taxonomy compliance is ensuring adherence to minimum social standards. These include due diligence obligations within our own organisation and throughout the supply chain through the implementation of appropriate processes. Essentially, this involves respect for human rights, as well as addressing issues such as Corruption and bribery, fair competition and taxation. TAG ensures that the MS criteria are met through a Group-wide approach. As part of our compliance management system, we have implemented comprehensive procedures, Group-wide guidelines (e.g. Declaration on Respect for and Compliance with Human Rights, Business Partner Code and Anti-Corruption Policy) and grievance mechanisms designed to prevent or detect breaches. Further information on the implementation of human rights due diligence obligations can be found in section 7.2 G1-1 – Policies regarding corporate policy and Corporate culture.



2.1 Results of the taxonomy compliance analysis

The proportions of taxonomy-eligible and non-taxonomy-eligible revenues, CapEx and OpEx determined for the reporting year 2025 are shown below:

Reporting form: summary overview

Financial year 2025		Breakdown by environmental objectives of Taxonomy-aligned activities													
KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year 2024	Proportion of Taxonomy-aligned activities in previous financial year 2024
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	EURm	%	EURm	%	%	%	%	%	%	%	%	%	%	EURm	%
Turnover	967.5	95.3	152.3	15.7	15.7	-	-	-	-	-	-	-	-	92.1	8.5
CapEx	285.8	92.3	31.6	11.1	11.1	-	-	-	-	-	2.6	4.1	-	23.8	10.6
OpEx	49.6	44.4	9.8	19.7	19.7	-	-	-	-	-	-	-	-	7.5	15.2



Reporting form: Share of turnover from goods or services related to Taxonomy-aligned economic activities – disclosure for the year 2025

Turnover

Financial year 2025		Environmental objective of Taxonomy aligned activities											
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible turnover)	Taxonomy-aligned KPI (monetary value of turnover)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned turnover)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible activities
		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(1)	(2)	%	EURm	%	%	%	%	%	%	%	(E)	(T)	%
7.1 Construction of new buildings	CCM 7.1 / CE 3.1	30.9	0.0	0.0	0.0								0.0
7.7 Acquisition and ownership of buildings	CCM 7.7	64.4	152.3	15.7	15.7								24.4
Sum of alignment per objective					15.7								
Total Turnover		95.3	152.3	15.7	15.7						0.0	0.0	16.5



Reporting form: CapEx share from goods or services related to taxonomy-aligned economic activities – Disclosure for the year 2025

CapEx

Financial year 2025					Environmental objective of Taxonomy aligned activities									
Economic Activities	Code	Taxonomy-eligible KPI (proportion of Taxonomy-eligible CapEx)	Taxonomy-aligned KPI (monetary value of CapEx)	Taxonomy-aligned KPI (proportion of Taxonomy-aligned CapEx)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-aligned in Taxonomy-eligible activities	
(1)	(2)	(3) %	(4) EURm	(5) %	(6) %	(7) %	(8) %	(9) %	(10) %	(11) %	(12) (E)	(13) (T)	(14) %	
7.2 Renovation of existing buildings	CCM 7.2 / CE 3.2	4.8	11.8	4.1	4.1			4.1				T	85.4	
7.3 Installation, maintenance and repair of energy-efficient equipment	CCM 7.3 / CE 3.3	2.9	7.5	2.6	2.6			2.6			E		89.7	
7.7 Acquisition and ownership of buildings	CCM 7.7	84.6	12.3	4.3	4.3			0.0					5.1	
Sum of alignment per objective					11.1			6.7						
Total CapEx		92.3	31.6	11.1	11.1			0.0			2.6	4.1	12.0	



Reporting form: OpExs share from goods or services related to taxonomy-aligned economic activities – disclosure for the year 2025

OpEx

Financial year 2025					Environmental objective of Taxonomy aligned activities										
Economic Activities	Code	Taxonomy-eligible KPI (Proportion of Taxonomy-eligible OpEx)	Taxonomy-aligned KPI (monetary value of OpEx)	Taxonomy-aligned KPI (Proportion of Taxonomy-aligned OpEx)	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activity	Transitional activity	Proportion of Taxonomy-eligible activities		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
		%	EURm	%	%	%	%	%	%	%	(E)	(T)	%		
7.7 Acquisition and ownership of buildings	CCM 7.7	44.4	9.8	19.7	19.7								44.4		
Sum of alignment per objective					19.7										
Total OpEx		44.4	9.8	19.7	19.7						0.0	0.0	44.4		



2.2 Supplementary information in connection with the disclosures

Revenue

Total revenues of EUR 967.5m (previous year: EUR 1,082.9m) mainly comprise material revenues from the rental business of EUR 489.1m (previous year: EUR 473.0m) and material revenues from the sale of residential units of EUR 349.1m (previous year: EUR 497.4m). Please refer to the consolidated financial statements for the consolidated income statement. The share of revenue from services amounts to EUR 129.2m (previous year: EUR 112.5m). The numerator of the revenue KPI includes rental revenues from buildings that meet the requirements of the EU Tax Regulation for activity 7.7. Taxonomy-aligned revenue amounts to EUR 152.3m or 15.7% of total revenue (previous year: EUR 92.1m or 8.5% of total revenue). The change compared with the previous year is mainly due to higher revenues from rents compared to the previous year and an increased number of business units that meet the “top 15%” criteria with regard to the activity 7.7.

Capital expenditure (CapEx)

Taxonomy-aligned capital expenditure relates to capitalised investments in non-current assets and, at EUR 31.6m or 11.1% of total CapEx (previous year: EUR 23.8m or 10.6% of total CapEx), mainly relates to investments in investment properties. There were no investments in property, plant and equipment or additions to capitalised rights of use in accordance with IFRS 16 or acquired or self-created intangible assets capitalised in the context of business combinations that would be classified as taxonomy-aligned in the 2025 financial year. Capital expenditure is presented in the notes to the consolidated financial statements in the explanations on the development of investment properties, property, plant and equipment, and rights of use and intangible assets.

Operating expenses (OpEx)

Operating expenses are mainly composed of expenses related to the daily maintenance and repair of investment properties and property, plant and equipment. The taxonomy-aligned portion of EUR 9.8m or 19.7% of total OpEx (previous year: EUR 7.5m or 15.2% of total OpEx) relates to the maintenance and repair of buildings that are classified as taxonomy-aligned in accordance with the requirements of activity 7.7 as part of the review of the requirements of the EU Tax Regulation. The taxonomy-aligned portion mainly comprises non-capitalised expenses in connection with the maintenance and repair of heating and ventilation systems, as well as work on buildings and electrical systems, carpentry and painting work, and is roughly on a par with the previous year in absolute terms.



Outlook

Due to the very high requirements for taxonomy compliance and the corresponding quality of evidence, as well as the associated interpretation issues, we expect that only part of our business activities will initially continue to meet the technical assessment criteria. For example, the proportion of our portfolios in Germany with an energy performance certificate of energy efficiency class C or better is currently around 63%, of which around 3% have energy efficiency class A or better. In Poland in particular, we expect to increase taxonomy-compliant economic activities in the coming years.

The EU Tax Regulation and the delegated acts adopted in this regard contain wording and terms that are still subject to interpretation uncertainties and for which clarifications have not yet been published in every case. TAG's legal representatives have therefore set out their interpretation of the EU Tax Regulation and the delegated acts adopted in this regard in the "EU Taxonomy" section of the combined non-financial statement. They are responsible for the defensibility of this interpretation. However, due to the inherent risk that undefined legal terms can be interpreted differently, the legal conformity of this interpretation is subject to uncertainty.



3. CLIMATE CHANGE (ESRS E1)

3.1.E1.SBM-3 – Material impacts, risks and opportunities

The following section presents the impacts, risks and opportunities (IROs) identified as material for the Group in relation to ESRS E1. The presentation indicates whether the respective IRO is actual (A) or potential (P) and whether it affects the Group's own operations (OO), the upstream value chain (UVC) or the downstream value chain (DVC).

E1 – Climate change						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
Energy						
Energy sources						
		UVC/P	Delays in the construction/expansion of the relevant infrastructure hinder the transition to renewable energy in terms of scope and speed.	Better financing (including the use of subsidies) for properties with high energy efficiency (purchase/extensions), for energy reduction actions and for the use of renewable energies.	Reduced availability of or poorer conditions for financing energy-intensive or CO ₂ -intensive properties.	



E1 – Climate change						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
				With the increasing establishment of "green" debt instruments as part of targeted actions for low-emission energy supply and energy reduction, financing costs are being reduced and long-term investments in the transformation of the building stock are being enabled.		
		OO/A	The continued use of fossil fuels leads to increased CO ₂ emissions and thus contributes materially to climate change.		Increased energy and CO ₂ costs for fossil fuels (rental portfolio in Germany primarily gas; for the Polish subsidiaries due to a high dependence on hard coal and lignite).	– Purchase of renewable energy to increase its share and scope in TAG's energy mix, in new buildings and from pre-suppliers to reduce CO ₂ emissions.
		OO/A	There are (still) buildings with high specific energy consumption. As part of the real estate industry, TAG contributes to the high energy consumption of buildings.		Fundamental change in the heat price structure, as high investments will be required for the "green" transformation in the coming years and these will be passed on to tenants via the base price component. TAG tenants could therefore initially be burdened with higher costs. This investment-driven price structure change may lead to financial disadvantages due to	



E1 – Climate change						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
					acceptance, payment and demand risks.	
		UVC/A	The generation of renewable energies and the implementation of sustainable energy concepts increase the demand for limited raw materials (e.g. lithium) and can lead to additional energy/CO ₂ consumption.	Renewable energies are less volatile and therefore less exposed to negative price fluctuations, which reduces the risk of short-term energy purchases and improves budgetability, for example.	The transition of the entire market to renewable energy leads to bottlenecks in terms of material, technology and infrastructure availability as well as skilled labour capacities and price increases, and can make it more difficult to implement the decarbonisation path.	– Use of renewable energies (e.g. green district heating, heat pumps, PV installations) to reduce the consumption of fossil fuels and CO ₂ emissions.
Energy savings						
				The implementation of actions to reduce energy consumption and the use of renewable energies leads to a reduction in heating and electricity costs. With regard to the warm rent, this can result in opportunities to adjust the net cold rent and increase the attractiveness of the property.	A lack of cooperation from tenants (e.g. no consent for energy efficiency measures in buildings) can lead to delays in the implementation of the decarbonisation strategy and result in rising energy and CO ₂ costs.	– Actions to improve the energy efficiency class of buildings in order to reduce tenants' energy consumption
		DVC/A	Increased requirements for tenant cooperation (e.g. unwillingness or lack of acceptance of energy efficiency actions) prevent the actions implemented from achieving optimal results.			– Use of intelligent technology for energy distribution (smart technology) in conjunction with the promotion of energy-saving behaviour among tenants through actions and information



E1 – Climate change						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
						aimed at reducing energy consumption
Climate change mitigation						
CO ₂ -reduction						
				The implementation of actions to reduce CO ₂ leads to better financing conditions, a reduction in CO ₂ tax for the tenant and positioning as a more attractive landlord in the rental business.	Failure to implement actions to reduce CO ₂ emissions will lead to higher costs and lower revenues (e.g. increase in CO ₂ tax, no or more expensive follow-up financing, etc.) and possible damage to reputation (due to failure to achieve decarbonisation targets).	– Implementation of actions to reduce CO ₂ emissions, e.g. insulation, renewable energy, optimisation of existing heating systems, use of smart technology as a contribution to climate change mitigation
Use of alternative/low-emission energies and materials						
		OO/A	The use of energy-intensive materials (e.g. concrete and steel) in (new) construction projects results in a large CO ₂ footprint.		Actions to achieve CO ₂ -reduction (e.g. through CO ₂ -neutral energy sources, materials and construction processes) are very cost-intensive.	– Use of alternative construction methods and environmentally friendly building materials to enable energy- and CO ₂ neutral or reduced operation
				The use of green district heating leads to lower CO ₂ costs.		– Installation of renewable energies (e.g. PV, etc.) to reduce the carbon footprint and accelerate the implementation of the decarbonisation strategy
Climate change adaptation						
Building and neighbourhood solutions						



E1 – Climate change						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
OO/P	Actions to implement climate change adaptation (e.g. climate-resistant trees, unsealing of surfaces, greening, rainwater infiltration solutions, shading solutions) can make a positive contribution to the urban climate against the backdrop of increasing climate change.	OO/A	Buildings contribute to urban warming, for example through black roof surfaces. This exacerbates climate change and impairs the quality of life of residents.	Buildings with climate change adaptation concepts are more attractive, retain their value better and achieve better valuations.	Adaptation measures to buildings against the backdrop of climate change are cost-intensive.	
		OO/P	A lack of actions to implement climate change adaptation in neighbourhoods can have negative impacts on the urban climate.		The increase in physical climate risks leads to rising costs for building insurance.	
					The occurrence of physical climate risks, such as flooding, heavy rainfall or storms, can cause damage to buildings and construction projects and incur costs.	
					Uncertainties about the course of climate change and the occurrence of extreme weather events pose a risk of long-term loss of value for buildings.	
					Rising sea levels pose a risk to the portfolio of properties near the coast,	



E1 – Climate change						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
					which may necessitate costly adaptation measures.	



3.2.E1.SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model in relation to climate change

Climate risks are continuously identified and monitored as part of Group-wide risk management. These risks are identified and valued by the respective risk managers in the course of quarterly risk reporting. On a quarterly basis and as required, we monitor the extent to which sites may be affected by physical climate risks such as heavy rain, storms, flooding or heat. We also determine the extent to which negative impacts from extreme weather events have occurred or could occur. Regular evaluation of insurance statistics and reports, as well as valuation of specific recorded damage and its frequency, help us to assess whether these are isolated incidents or whether extreme weather events are systematically increasing. Climate change can also have impacts on the cost of building insurance or require additional adaptation measures to protect against weather-related damage. In addition, climate-related transition risks, such as CO₂ pricing, are part of Group-wide risk management.

In addition, in 2022, in collaboration with a scientific partner, we conducted a systematic climate risk and vulnerability assessment for the physical risks associated with climate change in accordance with the recommendations of the International Sustainability Standards Board (ISSB), the successor to the Task Force on Climate-related Financial Disclosures (TCFD), for our entire portfolio in Germany and Poland. Furthermore, the methodology used complies with the recommendations of the German Federal Environment Agency.⁵⁾ The project was carried out in coordination with the Strategic Real Estate Management, Controlling/Risk Management, EWS, Central Technology and LIM regions departments.

The physical climate risks were analysed for the periods up to 2030 and 2045. These periods correspond to TAG's medium-term investment planning (3–5 years) and the long-term useful life of real estate (> 10 years). They are also aligned with the periods of TAG's medium- and long-term climate targets as part of its decarbonisation strategy and those of the national climate targets.

5) Guide to climate impact and vulnerability analyses.pdf

(https://www.umweltbundesamt.de/sites/default/files/medien/377/publikationen/uba_2017_leitfaden_klimawirkungs_und_vulnerabilitatsanalysen.pdf | 23.02.2026) (unaudited)



The physical climate risk drivers considered in the analysis include:

- Heat and local temperature increase,
- Cold and local temperature decrease,
- Drought and aridity,
- Precipitation, heavy rain and hail,
- Snow load,
- Wind or storm,
- Flooding and high water.

Based on the climate scenarios (Representative Concentration Pathway, RCP) RCP 2.6, RCP 4.5, RCP 8.5 min and RCP 8.5 max of the Intergovernmental Panel on Climate Change (IPCC), potentially harmful consequences of physical climate risks on our existing portfolio and our project developments in Germany and Poland, as well as possible adaptation solutions to minimise the climate risks considered material at property and neighbourhood level, were identified, analysed and valued. Adaptation solutions describe physical and non-physical actions relating to building fabric, living environment and residents that have the potential to minimise gross damage potential (sensitivity). Details of the climate protection actions for TAG's portfolio can be found in ESRS E1-3.

Taking RCP 2.6 into account, a scenario was used that forecasts a temperature increase of 1.5 °C to 2 °C in line with the Paris Agreement to keep global warming well below 2 °C. Various climate scenarios were used as a basis in order to perform the valuation of the range of impacts and classify possible uncertainties. The probabilities, extent and duration of physical climate risks were determined using climate projections in accordance with the above-mentioned RCP scenarios. The climate projections are based on a grid of 12 km x 12 km or finer.

The RCP 4.5 Scenario⁶⁾, which represents an increase in the global average temperature that is most likely to occur as a result of the national climate protection contributions currently being implemented and defined, is decisive for the risk assessment.

In the reporting year, we updated the analysis of potential physical climate risks for our entire portfolio in Germany and Poland. In the RCP 4.5 Scenario, the results show that there will be no physical climate risks with an extreme valuation in the time horizon up to 2030 or 2045.

6) Roger Pielke Jr et al (2022), "Plausible 2005–2050 emissions scenarios project between 2 °C and 3 °C of warming by 2100" Environ. Res. Lett. 17 024027 (<https://iopscience.iop.org>) | 25.02.2026 (unaudited)



TAG has not yet conducted a formal resilience analysis in the sense of a verified report. For climate change adaptation, TAG's climate strategy focuses on the gradual decarbonisation of its existing portfolio in Germany. This involves short-, medium- and long-term adaptation actions, e.g. the energy-efficient modernisation and refurbishment of the building stock, the renewal of heating systems and the switch to renewable energy. In order to benefit from more favourable conditions for investments in the portfolio, sustainable financing and subsidies are also being used to implement the actions. The actions help to increase the adaptability of our portfolio to potential climate-related risks, promote the value retention of our properties and, at the same time, reduce energy consumption and CO₂ emissions. Further information on the actions relating to TAG's climate concepts can be found in ESRS E1-3.

3.3.E1-1 – Transition plan for climate change mitigation

The operation of buildings has a significant environmental footprint. In Germany, for example, the building sector accounts for around 35% of final energy consumption⁷⁾ and around 30% of CO₂ emissions.⁸⁾ TAG's residential portfolio forms the basis of its business activities and is a material lever for addressing these challenges.

GHG emissions in TAG's residential portfolio are primarily caused by heat and energy consumption during the utilisation phase of the buildings. In addition, so-called "grey emissions" result in the upstream value chain from the use of building materials in connection with the construction, renovation and modernisation of buildings. High CO₂ emissions can also exacerbate transition risks, as they are the focus of regulatory changes, technological advances and changing market preferences. This could have financial impacts due to the need to adapt to stricter climate protection requirements.

TAG's environmental objective is therefore to make its building stock virtually climate-neutral by 2045. To this end, the Management Board and Supervisory Board approved a long-term decarbonisation strategy for the existing portfolio in Germany in 2021, which includes outcome-oriented, measurable targets and interim targets as well as an investment programme totalling around EUR 690m, starting in the 2022 financial year. Actions and timetables are integrated into the strategy. The Management Board is responsible for implementing the decarbonisation strategy. The strategy and the resulting action plan and its operational implementation are continuously developed and managed by the "Climate Board" operational unit. A comparable strategy for the Polish portfolio is currently in the analysis phase.

7) <https://www.bmwk.de/Redaktion/DE/Dossier/energiewende-im-gebaeudebereich.html> | 25.02.2026 (unaudited)

8) Umweltbundesamt 2023: Energiesparende Gebäude (www.umweltbundesamt.de), <https://www.umweltbundesamt.de/themen/klima-energie/energiesparen/energiesparende-gebaeude#gebaeude-wichtig-fur-den-klimaschutz> | 25.02.2026 (unaudited)



By reducing CO₂ emissions, we want to contribute to meeting national climate targets in Germany and thus to achieving the 1.5-degree target. These stipulate in the Federal Climate Protection Act (KSG) that Germany must produce at least 65% less GHG in 2030 compared to 1990 and at least 88% less by 2040. We also want to keep the additional costs incurred by CO₂ pricing under the CO₂ Cost Allocation Act as low as possible for TAG and its tenants.

In the first step of developing the strategy, all material data was collected and analysed in order to perform the valuation of the entire portfolio in Germany in terms of energy aspects and CO₂ emissions generated. The average CO₂ emissions (CO₂ equivalents) determined for the entire portfolio in Germany for the base year 2019 were 31.9 kg per sqm p.a. based on the usable floor space.

The next step was to develop a policy and accompanying actions to be implemented by 2045. The focus is primarily on actions for the energy-efficient modernisation of heating systems and building envelopes to save energy, the switch to more efficient system control using innovative technologies, and the conversion to lower-emission energy sources, including the increasing use of non-fossil fuels. The planned actions focus on areas of the building envelope and building technology that TAG can influence, as well as the supply of heating energy, taking into account the best possible cost-benefit ratio. Through the planning process, we ensure a comprehensive assessment of the ecological actions as decarbonisation levers, not only in terms of their emission-reducing effect, but also with regard to the economic consequences for tenants, e.g. through modernisation surcharges.

As part of the decarbonisation strategy, we are working on practical solutions to ensure that rents remain affordable in the long term. Otherwise, there is a risk that social acceptance of energy modernisation and climate protection measures in existing buildings will decline. This, in turn, could significantly limit the willingness and ability of building owners to make the investments necessary to achieve climate targets.⁹⁾

Energy-saving actions, more efficient use of resources and the switch to renewable energy are supported by the Group's internal energy management system. The Group's own energy Company, EWS, is responsible for ensuring the efficient supply of our rental portfolio in Germany and making optimum use of synergy effects through holistic approaches to modernisation measures. EWS currently supplies around 54% of the portfolio in Germany with heating energy and hot water (around 45,000 units as at 31 December 2025) and is also responsible for the maintenance and modernisation of the heating systems. CO₂ savings in these areas are achieved primarily by switching from natural gas to district heating and to fuels with lower emission factors, such as renewable energy sources. Modernising the Installations can also increase energy efficiency. This reduces primary energy consumption and CO₂ emissions.

9) <https://www.bmwk.de/Redaktion/DE/Dossier/energiewende-im-gebaeudebereich.html> | 25.03.2026 (unaudited)



The Central Technology department, newly created in 2021, is primarily responsible for large-scale construction, renovation and maintenance measures as well as project developments within the framework of the decarbonisation strategy. It coordinates its activities with regional property management and EWS. In addition, Central Technology contributes its expertise to the work of the Climate Board, for example on topics such as photovoltaics, smart technology and serial renovation.

Serial building renovation is considered a key technology for overcoming current and future challenges such as a shortage of skilled tradespeople, construction time and economic efficiency on the path to a climate-neutral building stock. Serial renovation is an innovative technology, particularly in the context of converting residential buildings from energy efficiency classes F, G and H to D and better.

Digitalisation offers a further opportunity to save energy and is also part of our decarbonisation strategy. Smart home solutions in buildings can, for example, network building services and energy information from residential units. Further digitalisation projects are being implemented in areas such as smart technology and serial renovation. For several years now, we have been working with cooperation partners at various sites to implement remote meter reading. This enables real-time monitoring of plant efficiency and, if necessary, rapid countermeasures. It records consumption and efficiency indicators and automatically analyses technical optimisation options such as night-time temperature reduction or adjustment of the heating curve.

By 2025, the goal for the German portfolio was to reduce Scope 1 and Scope 2 emissions intensity by c. 10% to 12% to 28 kg CO₂e per sqm p.a. compared to the base year 2019. In the medium term, a reduction of c. 30% to 22 kg CO₂e per sqm p.a. is planned by 2030. Our long-term goal by 2045 is to reduce Scope 1 and Scope 2 emissions intensity in the German portfolio to below 7 kg CO₂e per sqm p.a. The target is a combined Scope 1 and Scope 2 intensity target. For the Scope 2 emissions included, the site-based and market-based methodologies were used, depending on the data availability of the respective heat supply companies.¹⁰⁾

The target values for the building sector in relation to specific CO₂ emissions in the German portfolio were derived from the national requirements of the Federal Climate Protection Act. In order to achieve the 1.5-degree target in 2045, current calculations and agreements with housing industry associations indicate that current CO₂ emissions must be reduced to less than 7.5 kg CO₂e per sqm p.a. of living space.¹¹⁾

10) In accordance with Commission Delegated Regulation (EU) 2020/1818 and Commission Implementing Regulation (EU) 2022/2453, TAG is excluded from the Paris-aligned EU reference values under the above criteria.

11) https://www.iw2050.de/epaper/praxisbericht-2024-2025/files/IW_Praxisbericht_2410RZ.pdf | 25.03.2026 (unaudited)



As part of our business activities in Poland, there is not yet a transition plan for climate change mitigation that is in line with the 1.5-degree target, as the rental portfolio we intend to hold in the long term is still under development. Nevertheless, there are CO₂ reduction targets for both the sales business and the rental business in Poland. For example, a 10% reduction in emissions in the Polish rental portfolio is planned for the 2028 financial year. The decarbonisation target is mainly material to the construction activity for the Polish rental portfolio, which we are carrying out as general contractor.

The adoption of a transition plan for climate change mitigation for our business activities in Poland depends, among other things, on the adoption of the updated integrated national energy and climate plan in accordance with Directive (EU) 2018/1999 on the governance system for the Energy Union and for climate change mitigation within the European Union. TAG is continuously monitoring national developments in Poland and plans to develop a transition plan for climate change mitigation for its Polish business activities within the next year, following the adoption of the integrated national energy and climate plan, and to approve it with the involvement and consent of the Management Board and Supervisory Board.

3.4.E1-2 – Policies related to climate change mitigation and climate change adaptation

The principles and guidelines for environmental protection have been set out in writing in the Environmental Policy and Environmental Protection Policy for our business activities in Germany and Poland and along the value chain. In accordance with the guidelines and long-term decarbonisation strategy adopted by the Management Board, we are committed to actively contributing to the protection of the environment and climate, as well as to climate change adaptation, e.g. by reducing CO₂ emissions, increasing the energy efficiency of our portfolios, using resources sensibly and consciously (e.g. through renewable energy), waste and wastewater prevention, and the protection of animals and plants, including their habitats (biodiversity).

The guidelines apply to all employees and are available on the intranet and website. Employees can also submit suggestions for improvement based on their daily practice.

TAG's Management Board bears fundamental responsibility for environmental issues within the Group. The individual actions are assigned to the respective specialist and regional divisions, which are responsible for their operational implementation. Implementation for the German portfolio is managed centrally, in coordination between the department heads and Strategic Real Estate Management, supported by the Sustainability Committee and the Climate Board. The Management Board reviews the achievement of environmental protection targets at least once a year. This also includes monitoring CO₂ emissions.



The continuous reduction of energy consumption in our residential units is a material part of our environmental protection measures. Renovation measures such as the replacement of heating systems make an active contribution to reducing energy consumption and thus CO₂ emissions. Heating systems are replaced on the basis of a documented economic efficiency calculation, taking into account the technology available at the time of investment that is considered optimal according to current technical standards and legal requirements. Planned renovation projects are discussed with the Management Board during the annual budget meetings and approved by the Management Board. In specific cases, the projects are discussed in detail in the so-called Building Committee. For each action, the use of energy-saving measures (thermal insulation, new heating systems, etc.) must be reviewed in accordance with internal regulations. The use of subsidies or low-interest financing options is also considered for this purpose. These energy-saving measures should be implemented if they are economically viable and financially affordable for our tenants. In the case of acquisitions, energy profiles, environmental impacts and potential investment costs for renovation measures are also taken into account as part of the life cycle assessment.

In the area of purchasing and procurement, internal regulations stipulate that products and services must be evaluated over their entire life cycle and that preference should be given to solutions that are as energy-efficient, environmentally friendly and therefore of high longevity as possible. Preference should be given to involving local partners.

With regard to new construction activity in Poland, it is planned that, within the framework of construction planning in accordance with the ROBYG Green Standard, solutions will be used that represent the greatest possible energy efficiency in accordance with current technical standards and legal requirements at the respective planning stage of the project. Further information can be found in the 'Environmental Policies' listed in Chapter 7.2 G1-1 – Policies relating to corporate policy and corporate culture and the corresponding actions in Chapter 3.5 E1-3 – Actions and resources in relation to climate change policies.

In addition to the internal regulations applicable to employees, the Business Partner Code applies to cooperation with business partners in both Germany and Poland. The Management Board is also responsible for drafting the Business Partner Code, which covers climate change mitigation, climate change adaptation, energy efficiency and the use of renewable energy through corresponding regulations on sustainable and resource-efficient business practices. The Business Partner Code is part of the contract documents and is also available on the websites of TAG and its Polish subsidiaries ROBYG and Vantage. For further details on the Business Partner Code, please refer to section 7.3 G1-2 – Management of relationships with suppliers.



3.5.E1-3 – Actions and resources in relation to climate change policies

In optimising our existing portfolio in Germany with the long-term target of achieving a virtually climate-neutral building stock, we are relying on a mix of measures that builds on existing activities. The focus is on renovating building envelopes and heating systems, renewing building technology, using bridging technologies and digital measurement and control solutions, and increasing the use of renewable energy. To this end, we are also considering the use of subsidies or low-interest financing options in order to take advantage of better conditions for comprehensive investments. The Group's own energy management system offers numerous advantages, including the ability to manage the supply of our portfolios more efficiently and to make optimal use of synergy effects through holistic approaches to modernisation measures.

We are reducing energy consumption and thus CO₂ emissions by implementing an annual renovation programme. This includes actions such as thermal insulation and the renewal of our heating systems.

In the reporting year, TAG invested a total of around EUR 144.9m (2024: EUR 123.6m) in its portfolio, taking into account maintenance expenses in Germany. Of this, around EUR 24.2m (2024: EUR 17.1m) was spent on CO₂ reduction projects in particular.

For every major modernisation measure, we examine whether the use of renewable energies is technically and economically feasible and sensible. The valuation is based on the specific energy balances for each property. In our planning, we also take into account the fact that, according to the law, 65% of new heating systems must use renewable energies from 2024 onwards. In the reporting year, the renovation of 90 heating systems for around 2,250 residential units in EWS was completed. The focus was on increasing the use of renewable energy, primarily by switching to district heating. In locations without a district heating network, heat pumps are mainly used, usually supplemented by a natural gas peak load boiler. When selecting heat pumps, we ensure that they are operated with a natural refrigerant such as R290. This has a low global warming potential (GWP) and is considered future-proof as it is not affected by the EU F-Gas Regulation, which prohibits the use of refrigerants with a higher GWP value in the medium term.

TAG reinvested more than a third of its rental income in its German portfolio in the reporting year. As part of these portfolio modernisations, we are also improving the energy efficiency of our buildings. Based on the energy performance certificates available as at 31 December 2025, the average energy efficiency is 100.4 kWh per sqm of usable floor space per annum (31 December 2024: 101.0 kWh/sqm p.a). The proportion of our residential units with an energy rating of energy efficiency class C (below 100 kWh/sqm p.a.) or better remained constant at around 63% compared to the previous year.

Investment requirements for buildings in the lowest efficiency classes also arise from the EU Buildings Directive (EPBD). According to this, the energy consumption of residential buildings is to be reduced by an average of 16% by 2030 and by 20% to 22% by 2035. The focus here is on existing buildings with poor energy efficiency.



In the 2025 financial year, TAG continued to drive forward the serial refurbishment of its German portfolio with a project in Salzgitter. With an investment volume of around EUR 7m, this project is a taxonomy-aligned CapEx project and falls under Activity 7.2 'Renovation of existing buildings' (see information pursuant to Article 8 of Regulation (EU) 2020/852). The modernisation of the buildings from the 1960s, comprising a total of 72 residential units, includes façade insulation, the installation of a PV installation and a heat pump, and the switch from gas to environmentally friendly district heating. After the energy-efficient renovation to a "KfW Energy Efficiency House 55", the energy efficiency of the buildings will improve from the third-worst class F to at least class B. The heat energy requirement will be reduced by 70% and CO₂ emissions by around 90%. Another serial renovation project is planned at the Delmenhorst site.

Traditionally, c. 95% of the work involved in energy-efficient building refurbishment is carried out directly on site. In contrast, with serial refurbishment, only c. 20% of the construction work is carried out directly on site. This is achieved, for example, by cladding the building with large-format façade elements. These are industrially pre-produced in factories and arrive at the construction site ready for installation with integrated windows, balcony doors and building services. There, the façade elements are simply applied to the exterior wall like a second skin. This reduces the construction time on site by up to 75% compared to conventional refurbishment.

For another taxonomy-aligned CapEx project with a total investment volume of around EUR 13m, TAG began modernisation work in the reporting year as part of the complex refurbishment of an existing building from 1975 with 100 residential units in Magdeburg. After the refurbishment, the energy efficiency of the building will improve from class F to class C. Heat energy requirements and CO₂ emissions will be reduced by around 40% (see information pursuant to Article 8 of Regulation (EU) 2020/852).

We have only very limited influence on the individual consumption of electricity and water by our tenants. We want to promote responsible usage behaviour through targeted actions and information. This includes the installation of energy-saving devices (e.g. motion detectors to control lighting, energy-saving light bulbs and water-saving sanitary products) as well as energy-saving tips on our website, information brochures and advice from our staff at the local tenant offices.

We are also establishing actions to save energy at our office locations. The latest energy audit required by law in accordance with DIN EN 16247-1 (completion in 2025) has shown us approaches and recommendations for further energy savings at our office locations in Germany, which we are taking into account in our planning.

In 2022, we developed a holistic mobility concept for the German portfolio in order to better coordinate individual measures and further advance decarbonisation in our business operations. Important components of the policy include the implementation of CO₂ limits for conventional company vehicles and specific implementation targets for the coming years, minimum standards for vehicle operation, a charging infrastructure concept and ongoing monitoring of the market for electric commercial vehicles.

The expansion of the vehicle fleet in Germany and Poland to include electric and hybrid vehicles continued in 2025. The share of the total fleet increased from around 9% to 15% compared to the previous year.



Reducing GHG emissions by minimising the use of non-renewable energy sources and maximising the use of renewable energy is also part of the climate concepts for our new construction activities in Poland. For example, the new neighbourhoods are being implemented according to the 15-minute city policy, in which all facilities for daily life should be accessible within a quarter of an hour on foot or by bicycle. The ROBYG Green Standard also contains material initiatives and actions to reduce emissions in new buildings. It offers architects a set of guidelines for building design and includes ecological design guidelines for the construction of buildings, water and wastewater solutions, low-emission and energy efficiency requirements, the use of materials, and the design of green spaces and outdoor facilities. For customers, compliance with the standards creates modern, environmentally friendly solutions, such as smart home systems, which are also designed to reduce living costs. In addition, the ROBYG Green Standard makes a positive contribution to the urban climate and residents through actions for climate change adaptation (e.g. climate-resistant trees, unsealing of surfaces, greening, rainwater infiltration solutions, shading solutions). These climate regulation actions are also being implemented in the German portfolio.

Our ability to implement our climate-related actions, particularly for energy-efficient renovations, the use of renewable energy and improving the energy efficiency of our portfolio, depends to a large extent on the availability and allocation of financial resources, whereby we must carefully weigh these investments against other operational requirements and social aspects such as affordable housing.

3.6.E1-4 – Targets related to climate change mitigation and adaptation

Significantly reducing CO₂ emissions in our portfolios is a key focus of our sustainability strategy and portfolio development. Until 2025 the target was to reduce CO₂ emissions intensity (Scope 1 and 2 combined)¹²⁾ in the German portfolio by c. 10% to 12% to c. 28 kg CO₂e per sqm p.a. compared to the base year 2019 (initial accounting). A further reduction in CO₂ emissions intensity (Scope 1 and 2 combined) of c. 30% to c. 22 kg CO₂e per sqm p.a. compared to the base year 2019 (initial accounting) is targeted by 2030. Our long-term target by 2045 is to reduce this to below 7 kg CO₂e per sqm p.a. in order to contribute to meeting the 1.5-degree target. The CO₂ emissions of the German portfolio taken into account in the target correspond to around 90% of the market- and location-based Scope 1 and Scope 2 emissions reported in Chapter E1-6 for the 2025 financial year.

Based on the national requirements of the Climate Protection Act to achieve the 1.5-degree target by 2045, a specific target value for CO₂ emissions of less than 7.5 kg CO₂e per sqm of living space per annum has been set for the building sector. For TAG's German portfolio, this means a reduction in CO₂ emissions of c. 78% within 26 years compared to the base year. TAG's CO₂ reduction path has been verified and validated by an external engineering firm.

¹²⁾ This is a combined Scope 1 and Scope 2 target. Both location-based and market-based methodologies were used to calculate Scope 2 emissions, depending on data availability.



The following assumptions were made when setting the GHG emission reduction targets:

- Continuous reduction of emission factors for district heating and electricity by 2045 based on the use of renewable energy sources by external suppliers (district heating by 85%; electricity by 90%)
- Reduction in CO₂ emissions is determined annually on an iterative basis using a mix of measures based on the value achieved in the previous year
- Technical progress in generation plants from 2030 onwards is taken into account
- Assumption of an annual price increase of 3%
- No consideration of a positive effect from changed tenant behaviour

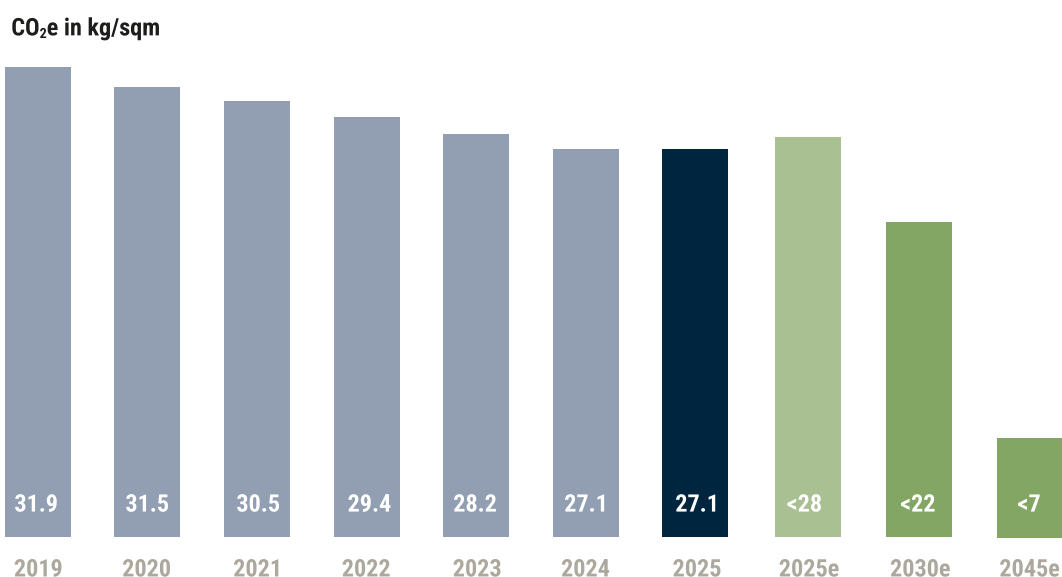
The total contributions of the central decarbonisation levers to the reduction of CO₂ emissions in Germany (Scope 1 and 2) are summarised in the table below. The energy-efficient renovation of buildings includes, for example, the renovation of facades, roofs or windows. Actions to reduce emissions from heat supply include, for example, the renovation of heating systems, switching to alternative energy sources or the installation of remote monitoring technologies (see Chapter 3.6 E1-3 Actions and resources in relation to climate change policies).

Measures	2019	2030	2045
GHG emissions in tonnes of CO ₂ e	161,198	111,856	32,429
- Energy-efficient refurbishment of the building envelope		-10,624	-8,109
- Emission-reduced heat supply		-38,718	-71,318

The decarbonisation strategy and associated climate protection targets for the German portfolio were developed with the active involvement of internal and external stakeholders. We formed a dedicated project team (Climate Board) for the decarbonisation strategy. This team includes employees from the LIM regions, Strategic Real Estate Management, EWS and Central Technology, who were involved in the process from the outset. This interdisciplinary collaboration enables a holistic view and utilisation of existing expertise. External consulting services from an engineering firm were engaged to assist with data collection, analysis and strategy development. This ensured an objective valuation and brought additional expertise to the process. When setting the milestones, attention was paid to the feasibility of scalable and economical solutions for our tenants and the Company. In 2021, the decarbonisation strategy was approved by the Management Board and Supervisory Board. The Climate Board will monitor the implementation of the actions and further develop the investment strategy in consultation with the Management Board.



As of 31 December 2025, 63.3% (2024: 63.0%) of the units in our rental portfolio in Germany were heated with district heating, 36.0% (2024: 36.4%) with natural gas and 0.7% (2024: 0.7%) with heating oil. In terms of usable floor space, energy consumption (energy intensity) in 2025 averaged 134.4 kWh per sqm of usable floor space (2024: 134.0 kWh per sqm of usable floor space). Specific CO₂ emissions (CO₂ equivalents) for Scope 1 and Scope 2 (market-based) remained constant within one year at 27.1 kg CO₂e per sqm of usable floor space (2024: 27.1 kg CO₂e per sqm of usable floor space). Compared to the average CO₂ emissions (CO₂ equivalents) for Scope 1 and 2 for the German portfolio determined for the base year 2019 of 31.9 kg per sqm of usable floor space, this corresponds to a reduction of around 15%. TAG has thus achieved its target for 2025 of reducing the emission intensity (Scope 1 and 2) for the German portfolio to below 28 kg CO₂e/sqm.





We regularly review our energy efficiency targets and progress in gradually reducing emissions by monitoring consumption trends and specific CO₂ emissions for our existing portfolio. The sub-targets set out in the decarbonisation strategy are reviewed at least once a year and reported to the Management Board.

In concrete terms, in addition to energy-efficient renovations and complex measures, we have primarily carried out individual modernisation measures such as insulating the building envelope, replacing windows and renewing heating systems.

In the long term, 90% of our portfolio in Germany is to be supplied by our internal energy Company. In this context, successive efficiency improvements are to be achieved by renewing heating systems, which in turn will lead to energy, emission and cost savings. As at 31 December 2025, the proportion of heating oil systems in the German portfolio will remain below 1%, as in the previous year. Due to isolated portfolio acquisitions, which often still have old heating systems, a complete reduction is not expected to be possible in the next few years.

We are continuing to equip our heating installations with remote monitoring technologies. Based on cautious assumptions, it is estimated that this system could deliver energy savings of c. 3% to 5% per annum. In future, this technology is expected to contribute even more to the efficient operation of the installations and, if necessary, enable faster optimisation measures. Over the next few years, we intend to connect the majority of our heating systems to remote monitoring. We are working with external providers to achieve this. To date, around 45% of EWS's heating systems have been equipped accordingly. For the objectives of our new construction activities, please refer to the information in section 3.3. **E1-1 – Transition plan for climate change mitigation.**



3.7.E1-5 – Energy consumption and mix

The TAG Group's total energy consumption is divided among the various energy sources as follows:

Energy consumption in MWh and mix	01/01– 12/31/2025	01/01– 12/31/2024 ¹⁾	Change
(1) Fuel consumption from coal and coal products	0	0	-
(2) Fuel consumption from crude oil and petroleum products	11,582	11,281	2.7%
(3) Fuel consumption from natural gas	262,705	267,617	-1.8%
(4) Fuel consumption from other fossil sources	0	0	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	296,588	294,727	0.6%
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	570,875	573,625	-0.5%
Share of fossil sources in total energy consumption (%)	85.6%	85.5%	0.1%
(7) Consumption from nuclear sources	0	0	-
Share of consumption from nuclear sources in total energy consumption (%)	0.0%	0.0%	-
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0	0	-
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	96,200	97,237	-1.1%
(10) The consumption of self-generated non-fuel renewable energy	208	156	33.6%
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	96,408	97,393	-1.0%
Share of renewable sources in total energy consumption (%)	14.4%	14.5%	-0.5%
Total energy consumption (calculated as the sum of lines 6,7 and 11)	667,283	671,018	-0.6%

1) adjusted

TAG's energy consumption was evaluated on the basis of actual consumption data for 2024 and extrapolated for 2025, taking into account changes in inventory. ¹³⁾ This results in updates to the data for 2024 carried forward from the last report. The update did not result in any material changes compared with the previous year.

To improve the comparability of the data over time, the consumption data was climate-adjusted using the data tables of the Institute for Housing and the Environment (IWU) ¹⁴⁾ for 2024 to the base year 2019. The climate adjustment was made on the basis of the heating degree days for 2024. Here the heat and (general) electricity consumption of the portfolios and the Company's own business locations in Germany and Poland were taken into account. In addition, the energy consumption of the vehicle fleets was included, which was determined on the basis of the actual billing data for the years in question.

13) A small proportion of the consumption data was estimated on the basis of energy performance certificates/building age classes. WEG properties and proportionate sale properties were taken into account.

14) Institut Wohnen und Umwelt (IWU): Energy Balances for Buildings (<https://www.iwu.de/publikationen/fachinformationen/energiebilanzen/#c205>) | 23.03.2026) (unaudited)



As administrative activities in Germany account for only around 0.5% of the total property area, no distinction is made between owner-occupied and spaces in the rental business when determining total energy consumption. The impact of administrative space on total energy consumption is therefore negligible, meaning that separate reporting is not necessary.

Total fossil fuel consumption includes stationary incineration of heating oil and natural gas, mobile incineration (vehicle fleet) of petrol and diesel (direct energy consumption) and indirect energy consumption from district heating and electricity (proportionate electricity for heat supply and general electricity) in Germany and Poland. Heat and electricity consumption in the rental portfolios refers to the total portfolio. The share of energy from nuclear sources is 0%.¹⁵⁾

The total consumption of renewable energy includes both certified green electricity for the administrative locations in Poland and the self-generated solar power of the Polish subsidiaries Vantage.¹⁶⁾ In addition, the share of renewable energies in the district heating mix reported by the energy suppliers was included for the rental portfolios.

TAG operates in the high climate impact sectors listed in Annex I to Regulation (EC) No 1893/2006 of 20 December 2006, in particular in the purchase and sale of its own land, buildings and residential units (Section L, Class 68.10) and the rental business and leasing of own or leased land, buildings and residential units (Section L, Class 68.20). To calculate energy intensity per net revenue, total net revenue according to the consolidated profit and loss account is compared with the corresponding total energy consumption from high climate impact sectors (according to Table E1-5 Energy consumption and mix). Total net revenues include rental revenues, including leasing-related services, sales proceeds and revenues from services. The energy intensity per net revenue can be found in the following table.

Energy intensity per net revenue	2025	2024¹⁾	Veränderung
Total energy consumption from activities in climate-intensive sectors per net revenue from activities in climate-intensive sectors (MWh/ EURm)	689.7	619.6	11.3%

1) adjusted

This metric, which expresses energy intensity in relation to a Company's economic performance, is not a focus for TAG, as it is only of limited relevance to TAG's business model. In practice, it has limitations as it is influenced by revenue-related effects (e.g. transactions, vacancies) and therefore does not exclusively reflect the actual energy efficiency of the portfolio. From TAG's perspective, portfolio-related energy intensity in kWh/sqm is therefore more meaningful for real estate companies for operational management and the assessment of efficiency measures, as it reflects the actual energy consumption of the space independently of revenue fluctuations. Accordingly, energy intensity per net revenue is primarily used to fulfil regulatory reporting requirements, while internal metrics based on kWh/sqm are the main focus for energy management and target tracking.

15) Share of nuclear energy in German and Polish energy mix 0%

16) The share of market-based Scope 2 emissions was of minor importance in the financial year 2025.



3.8.E1-6 – Gross Scopes 1, 2, 3 and total GHG emissions

GHG emissions for the 2025 financial year are as follows:

	01/01– 12/31/2025	01/01– 12/31/2024 ¹⁾	Change
Scope 1 GHG emissions			
Scope 1 GHG gross emissions (t CO ₂ e)	53,129.4	53,919.8	-1.5%
Percentage of Scope 1 GHG gross emissions from regulated emission trading schemes (in %)	0.0	0.0	-
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emissions (t CO ₂ e)	120,856.4	121,097.1	-0.2%
Gross market-based Scope 2 GHG emissions (t CO ₂ e)	95,363.3	94,950.9	0.4%
Significant Scope 3 GHG emissions			
Total gross indirect (Scope 3) GHG emissions (t CO ₂ e)	200,895.1	193,314.1	3.9%
1 Purchased goods and services	57,152.7	37,506.1	52.4%
2 Capital goods	24,003.7	35,551.7	-32.5%
3 Energy and fuel-related activities	32,930.7	32,965.9	-0.1%
13 Downstream leased assets	86,808.0	87,290.4	-0.6%
Total GHG emissions			
Total GHG gross emissions Scope 1 and 2 (location-based) (t CO ₂ e)	173,985.7	175,017.0	-0.6%
Total GHG gross emissions Scope 1 and 2 (market-based) (t CO ₂ e)	148,492.5	148,870.7	-0.3%
Total GHG gross emissions Scope 1, 2 and 3 (location-based) (t CO ₂ e)	374,880.8	368,331.0	1.8%
Total GHG gross emissions Scope 1, 2 and 3 (market-based) (t CO ₂ e)	349,387.8	342,184.8	2.1%

1) adjusted

The CO₂ equivalents for Scope 1, 2 and 3 emissions are reported in accordance with the GHG Protocol Standard. TAG applies the operational control approach. The basis for this is the energy consumption data shown in Table E1-5. The Scope 1 and 2 emissions of the rental portfolios in Germany and Poland were included, adjusted for vacant space for the 2024 reporting year.

Scope 1 emissions relate to direct energy consumption (oil, gas, petrol and diesel). CO₂ emission factors from utilities, the Federal Office of Economics and Export Control (BAFA) and environmental agencies were used for the calculation. As only around 0.5% of the total property space is used for our administrative activities in Germany, we do not distinguish between owner-occupied and spaces involved in rental business here.

Data from billing service providers, the BAFA and DEFRA was used to calculate emissions from the vehicle fleet. Scope 2 emissions refer to indirect energy consumption (district heating, general electricity, proportionate electricity for heat supply and charging current for electric vehicles). Both the site-based and market-based methods were used for the Scope 2 calculation. CO₂ emission factors from utilities, the BAFA and environmental agencies were used to calculate emissions.



As part of a Scope 3 screening, all 15 categories of the GHG Protocol were reviewed in terms of their priority according to the criteria a) relevance to the Business model, b) influenceable/controllable by TAG, and c) significance in terms of emission levels. TAG therefore defines the following categories as priorities: 3.1 “Purchased goods and services”, 3.2 “Capital goods”, 3.3 “Energy and fuel-related activities” and 3.13 “Downstream leased assets”.

The CO₂ equivalents reported in category 3.1 “Purchased goods and services” take into account emissions from new construction projects for sale in Poland. Emissions from new construction projects for the rental business in Poland, on the other hand, are reported in category 3.2 “Capital goods”. The CO₂ equivalents are calculated based on the usable floor space of the residential units completed in the financial year in sqm and take into account the emissions of LCA phases A1–A3 (manufacturing phase). To calculate the emissions, corresponding emission factors were used on the basis of the materials shown in Table E5-4, which were derived from the LCA study by Cushman & Wakefield for a new construction reference project. To ensure comparability, the emission values for the previous year were recalculated retrospectively using the same methodology.¹⁷⁾ Depending on the number and scope of new construction projects completed in the respective reporting year, the amount of emissions reported may vary between reporting years.

Category 3.2 also includes emissions from investments (CapEx actions) in the existing portfolio in Germany and from investments in the vehicle fleet. The emission factor used to calculate emissions from CapEx actions was calculated on the basis of internal calculations of reference projects for LCA phases A1–A5, C1–C4 and D. This emission factor serves as the basis for extrapolating emissions to all CapEx actions in the financial year.

Category 3.3 “Energy and fuel-related activities” includes emissions from the upstream energy chain that are not already accounted for in Scope 1 and 2, e.g. the extraction and transport of fuels and the production and transport of district heating and electricity. The CO₂ equivalents reported in category 3.13 “Downstream leased assets” include emissions from the electricity consumption of tenants in the German and Polish rental portfolios. Electricity consumption for the German portfolio was estimated based on data from the Federal Statistical Office. Emissions were calculated using the emission factor for the German electricity mix published by the Federal Environment Agency. Electricity consumption for the Polish rental business was calculated based on consumption data for the rented residential units. The conversion was carried out using supplier-specific emission factors.

CO₂ emission factors from environmental agencies and DEFRA were used to calculate Scope 3 emissions.

¹⁷⁾ This results in a difference of c. 9,420 t Co₂e for the category 3.1 and c. 6,950 t Co₂e for the category 3.2 compared to the data published in the previous year.



The following categories were defined as non-priority:

- 3.4 "Upstream transport and distribution": emission level not significant
- 3.5 "Waste": emission level not significant
- 3.6 "Business travel": emission level not significant
- 3.7 "Employee commuting": emission level not significant
- 3.8 "Rented or leased property, plant and equipment": not relevant to the business model
- 3.9. "Downstream transport and distribution": not relevant to the business model
- 3.10 "Processing of sold products": not relevant to the business model
- 3.11 "Use of sold products": cannot be influenced/controlled by TAG
- 3.12 "End-of-life treatment of sold products": emission levels not significant
- 3.14 "Franchises": not relevant to the business model
- 3.15 "Investments": not relevant to the business model

Greenhouse gas intensity based on net revenue

The total GHG emissions for Scope 1, 2 and 3 as at 31 December 2025 are shown in the table below. Net revenues correspond to total sales revenues as reported in the consolidated income statement:

Total GHG emissions per net revenue	2025	2024 ¹⁾	Change
Location-based GHG emissions Scope 1, 2 and 3 (t CO ₂ e/EUR m)	387.5	340.1	13.9%
Market-based GHG emissions Scope 1, 2 and 3 (t CO ₂ e/EUR m)	361.1	316.0	14.3%

1) adjusted

This metric, which expresses emission efficiency in relation to a company's economic performance, is not a focus for TAG, as it is only of limited relevance to TAG's business model. The specific characteristics of the property portfolio, such as the size, age or energy efficiency of the buildings, are not taken into account. In addition, different rent levels in different regions can distort the metric without this being attributable to actual differences in emission efficiency. From TAG's perspective, a metric that compares emissions per square metre is therefore more meaningful for real estate companies, as it more directly reflects the emission efficiency of the buildings. Accordingly, emission efficiency per net revenue is primarily used to fulfil regulatory reporting requirements, while internal metrics based on CO₂e/sqm are the main focus for managing decarbonisation and pursuing targets.

TAG therefore uses specific CO₂ emissions (in kg CO₂e/sqm p.a.) as the relevant metric for measuring the emission efficiency of its portfolio. In the reporting year, this figure was 27.1 kg CO₂e per sqm of usable floor space for Scope 1 and 2 emissions (market-based) (2024: 27.1 kg CO₂e per sqm of usable floor space) and also forms the basis for measuring the success of the implementation of our decarbonisation strategy in Germany (see section E1-4 Targets related to climate change mitigation and climate change adaptation).

3.9.E1-8 – Internal CO₂ pricing

As in the previous year, internal CO₂ pricing systems were not applied in the 2025 financial year.



4. RESOURCES AND CIRCULAR ECONOMY (ESRS E5)

4.1.E5.SBM-3 – Material impacts, risks and opportunities

The following section presents the impacts, risks and opportunities (IROs) identified as material for the Group in relation to ESRS E5. The presentation indicates whether the respective IRO is actual (A) or potential (P) and whether it affects the Group's own operations (OO), the upstream value chain (UVC) or the downstream value chain (DVC).

E5 – Circular economy						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
Use of resources						
Use of materials						
		OO/A	Construction projects generate significant amounts of waste and consume large quantities of resources.	Focusing on raw materials and building materials sourced from the geographical vicinity of the construction sites shortens supply chains, reduces dependence on geopolitical crises and can lead to cost advantages.	Geopolitical conflicts and raw material shortages harbour the risk of rising raw material prices and higher costs.	<ul style="list-style-type: none"> – Reduction in the consumption of non-renewable resources and partial substitution with renewable raw materials and reusable materials – Use of regionally produced



E5 – Circular economy						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
		OO/P	The use of non-regional and non-certified materials/processes can increase the carbon footprint due to long delivery routes, promote the use of environmentally unfriendly materials and make supply chain traceability more difficult.	The use of sufficiently available renewable raw materials can reduce construction costs.	Dependence on specialised suppliers (e.g. suppliers who meet certain environmental criteria) carries the risk of price increases and supply bottlenecks.	materials and commissioning of regional companies
				The use of certified materials reduces legal risks, supports the sustainable development of real estate and contributes to value enhancement.	The use of non-regional and non-certified materials and processes carries financial risks due to possible quality losses, warranty defects, longer delivery times and delays in execution.	
				Investing in resource-efficient technologies can reduce operating costs in the long term while increasing the value of the property.		– Investment in resource-efficient technologies
Regulatory requirements						
					Increasingly stringent environmental regulations require investments that may not be passed on to tenants.	– Compliance/risk management, quality assurance, efficient use of resources in accordance with circular economy principles and a focus on certified products/materials
Circular economy						



E5 – Circular economy						
Settlement (OO/UVC/ DVC)/ Status (A/P)	Positive impacts	Settlement (OO/UVC/ DVC)/ Status (A/P)	Negative impacts	Opportunities	Risks	Actions (examples)
Waste reduction and reuse						
						– Focus on the circular economy, optimisation of waste management, innovative waste solutions, recycling and reuse to reduce waste



4.2.E5-1 – Concepts related to resource use and circular economy

TAG has codified the conscious use of resources in its internal “Principles and Guidelines for Environmentally and Socially Responsible Procurement” (Green & Social Procurement Policy) and “Principles and Guidelines for Environmental Protection” (Environmental Policy) as part of separate ESG guidelines. With these guidelines, we pursue the goal of promoting the responsible use of resources and ecological and social standards along the value chain. These principles are also part of our central purchasing strategy and are available to employees via the intranet. A summary can be found on the TAG corporate website. Corresponding guidelines can also be found in our Business Partner Code for our suppliers and service providers, which is published on the TAG website and that of its Polish subsidiaries. The guidelines are binding for all employees of the Group. Like the Business Partner Code, they are based on the Business Principles that apply to all employees of the TAG Group. The Business Partner Code applies to all business partners and their employees and is a binding part of every business relationship between Group companies of the TAG Group based in Germany and their business partners. Corresponding guidelines also apply to the Polish subsidiaries, taking into account country-specific regulations. The contents are accessible throughout the Group and are reviewed regularly.

The responsibility for monitoring and adapting these policies lies with the Management Board. In the area of portfolio management in Germany, the ‘Central Purchasing’ department is responsible for the strategic orientation and control of purchasing processes.

The selection of materials and products, the selection of and collaboration with service providers, and the implementation of building actions on existing properties through to waste disposal are analysed in accordance with TAG's internal policies, taking into account resource conservation, potential reuse and recycling, and adjusted where necessary. These policies provide for the efficient and responsible use of materials, reuse and waste reduction. Through the Business Partner Code, our business partners undertake, for example, to actively contribute to the protection of the environment and the climate – in particular by reducing CO₂ emissions, making sensible and conscious use of resources and avoiding waste – and to align their procurement activities with solutions that are as energy-efficient, environmentally friendly and therefore of long longevity as possible. (For information on dealing with breaches and further details, please refer to Chapter 4.2 E5-1 – Concepts relating to resource use and the circular economy) Awareness of the careful use of resources and the efficient use of materials is also raised during work meetings, workshops and training sessions.

Our central purchasing strategy stipulates that regional and recycled building materials should be used at all sites wherever possible, provided this is economically viable. The focus here is on a gradual transition to higher-quality materials in order to improve living comfort and ensure long-term functionality.



We ensure that our green spaces are managed in an environmentally friendly manner. For example, wherever possible, we collect rainwater for reuse in irrigating green spaces. In construction projects, we focus on environmentally friendly site organisation and waste management in accordance with our internal regulations on resource conservation. For example, construction work is limited to the immediate vicinity of the building as far as possible, and care is taken to ensure that as little dust and soil particles as possible are released into the air. Contractors are obliged, for example, to minimise the amount of waste they produce in connection with the work they are commissioned to do and to ensure that waste is disposed of properly.

In the new residential unit construction business segment in Poland, there are also specific policies in the form of environmental and procurement guidelines. Particularly noteworthy here is the ROBYG Green Standard, developed in-house for new construction project developments, with specifications for low-emission solutions, ecological design, the use of materials and the design of outdoor/green spaces, among other things. These specifications serve as a basis for promoting resource-efficient and circular decisions in the life cycle of buildings from the outset.

The guidelines correspond to those in Germany, taking into account country- and business-specific regulations. The regulations stipulate that the use of non-renewable resources should be minimised throughout the entire construction process (design, implementation, operation) and, in line with our business activities in Germany, that sustainable products should be purchased as a priority, taking into account economic efficiency. Wherever possible, regional materials that have good longevity and performance characteristics are used. Responsible waste management also plays an important role in building design and during the construction phase, for example through waste separation.

4.3.E5-2 – Actions and resources related to resource use and circular economy

Maintaining the functionality, substance and value of our buildings forms the basis of our business activities as a housing Company. Maintenance and modernisation actions are aimed at preserving our housing stock and ensuring its rentability. The efficient use of materials in accordance with circular economy principles such as functional durability, reliability, reusability, retrofitability, reparability and recyclability can contribute to extending the life cycle of buildings, reducing consumption, particularly of natural resources, and waste volumes, as well as to long-term cost savings. In new construction, these principles are already taken into account in the planning and design phase to ensure the sustainable use of the materials employed from the outset.

The actions for resource use and circular economy extend to various activities along our Company's value chain. When implementing measures, we comply with EU guidelines on circular economy and national regulations, such as the German Circular Economy Act (KrWG) for promoting circular economy and ensuring environmentally sound waste management. These contain requirements for waste prevention, waste reduction and reuse or recycling. TAG's resource flows are managed primarily on this basis.



In the operational area, the actions relate in particular to the selection, use and reuse of materials and products in the context of refurbishment, maintenance and inventory management. We have defined the quality and detailed properties for specific products and materials in our overall service specifications. We regularly collect this information by means of audit documents. Among other things, it is important that the products have longevity, are recyclable, environmentally friendly, biologically safe, compatible with health and easy to maintain.

We are in dialogue with our suppliers and service providers about the origin and processing of the resources used. In order to conserve resources, we reuse materials that comply with the currently permitted standard wherever possible. By specifying certain product and material properties, these can also be used relatively flexibly at a later date. In the electrical sector, for example, there is an obligation to install devices with consistency in standards that can be combined with each other.

To ensure efficient and environmentally friendly resource management, we review our procurement practices and make adjustments as necessary. We also continuously review our contracts with our business and framework agreement partners and gradually add further sustainability criteria.

We have little influence over the resource consumption of tenants and buyers. Nevertheless, as part of our professional waste management, we try to help reduce the amount of household waste in our portfolio and increase the proportion of recyclable materials. Actions include consistent waste separation, systematic re-sorting, i.e. manual waste separation where necessary, and optimised filling of waste containers on site by our caretakers or contracted service providers, as well as targeted advice and information campaigns for tenants and buyers.

TAG plans to further expand the actions described in the future. For example, we aim to develop further internal guidelines for our business activities in Poland with regard to the circular economy in administrative activities. For example, we are examining the possibility of selling damaged but still functional furniture instead of disposing of it, and we are planning training courses for employees on the topic of the circular economy.

The financial resources required to implement the actions described will be provided by the Management Board.

4.4.E5-3 – Targets relating to resource use and the circular economy

As part of its business activities in Germany, TAG has set itself the goal of further optimising its internal policies for the transition to a circular economy, particularly with regard to the expansion of professional waste management, and of further developing the associated data collection processes with a view to taxonomy-aligned investments. This target is part of our sustainability strategy and is regularly validated with the involvement of the ESG/Sustainability and Central Technology and Central Purchasing departments. The Management Board is responsible for achieving this target. Measurable, outcome-oriented targets may be adopted in the 2026 financial year, depending on the further development of internal policies and the availability of suitable providers for data collection processes on the market.

As part of our business activities in Poland, we have set ourselves the goal of constructing new building projects in accordance with our own “Green Standard”, which also includes ecological design guidelines for the use of materials. In addition, we aim to increase the proportion of non-hazardous construction waste, as defined by the EU Taxonomy Regulation, that is recycled or reused. We also plan to implement a waste management plan for our business partners involved in new construction activities in Poland. We are also pursuing the target of further digitising business processes, e.g. by converting administrative correspondence to electronic formats, identifying potential for avoiding or reducing resource consumption in the rental business, and training employees in resource-efficient practices. The achievement of these targets is evaluated annually on the basis of relative progress.

These targets were set with the involvement of internal departments in Poland as part of the review and update of our ESG strategy. The specific circumstances and requirements of our business activities in Poland were taken into account. TAG plans to report on the specification of the targets and the degree to which they have been achieved in the Sustainability Report for the 2026 financial year. The Management Board is responsible for monitoring the implementation of the targets.

Essential requirements for the circularity of products and materials, such as durability, reparability and recyclability, efficient use of materials and conservation of natural resources, including through reuse, are already taken into account in our policies and actions, and the various levels of the waste hierarchy are observed (see section 4.2 E5-1 – Policies related to resource use and circular economy).



4.5.E5-4 – Resource inflows

Resource inflows represent a material sustainability matter for TAG, particularly in connection with redevelopment projects and new construction activity in Poland. Significant impacts, opportunities and risks arise primarily from the procurement and use of relevant construction products and materials in connection with these activities. Construction projects are generally associated with considerable resource requirements. However, these can be made more resource-efficient through the use of renewable raw materials, reusable materials and products, and resource-efficient technologies, among other things. The use of regional materials and procurement from regional suppliers can shorten supply chains and lead to cost advantages. (Further explanations can be found in the comments on the material IROs at the beginning of Chapter E5.) Critical raw materials and rare earths are not of central materiality for TAG's business activities, but are contained in certain building technologies such as smart home systems and photovoltaic systems.

Based on TAG's own operations, including those in the upstream value chain (in particular construction and craft companies and building material suppliers), the purchased quantities and masses of the key products and material groups for 2025 were determined.

The total weight of inflows in the reporting period amounts to 305,903.2 tonnes (2024: 191,424.9 tonnes) and includes building materials (e.g. concrete, steel, insulation materials) as material and product groups of significant importance. The quantity of resource inflows for construction projects may vary between reporting years, depending on the type, scope and phase of the respective projects. Office and business equipment are classified as non-material for our resource inflows and are therefore not taken into account.

No information on certified organic materials is available at this time. Biofuels for non-energy purposes were not used during the reporting period, so their percentage share remains at 0%, as in the previous year. No information on the proportion of reused or recycled components is available for the reporting year due to a lack of sufficient data from the value chain.

Resource inflows	01/01/ – 12/31/2025	01/01/ – 12/31/2024
Total weight of products and materials (tonnes)	305,903.2	191,424.9
Proportion of biological materials and biofuels used for non-energy purposes (%)	0.0	0.0
Weight of reused or recycled components (tonnes)	0.0	0.0
Proportion of reused or recycled components (%)	0.0	0.0



The data on resource inflows in the building materials sector is based on estimates and projections derived from internal documentation, such as contracts with construction companies. Reference quantities were determined for the various construction project activities, such as vacant flat refurbishment/minor maintenance, pipe renovation, complex renovation and energy-efficient renovation in the German portfolio, as well as for construction activity in Poland, and extrapolated to the area affected during the reporting period. The methodology for determining and presenting resource inflows for construction activities in Poland was changed from contract-based recording in the previous year to a consistent, area-based calculation based on reference values per square metre in accordance with the results of an LCA carried out in 2025. The previous year's data for construction activity in Poland was recalculated retrospectively using the new methodology to ensure a comparable presentation. The adjusted previous year's figure amounts to approximately 179,501 tonnes, which is approximately 284,916 tonnes below the figure reported for the 2024 financial year. The values determined using the new methodology are considered more meaningful due to the reference to the area included in the reporting year, as the values agreed upon when the contract was concluded may fluctuate during the course of the project.

4.6.E5-5 – Resource outflows

The operation of our buildings, modernisation measures in existing buildings and, in particular, the construction of new properties involve considerable consumption of energy and raw materials. Buildings are generally designed in such a way that their individual elements can be repaired. Construction actions and regular maintenance ensure that their functionality and safety are maintained or restored by eliminating defects and repairing damage.

The average life cycle of buildings is around 50 years, but with regular maintenance, their life or useful life can be extended to 100 years or more. The service life of individual components and building installations varies depending on the type of construction and materials used. For example, the average service life of concrete walls is around 50 years, that of thermal insulation composite installations is 20 to 40 years, and that of insulating glazing is 30 to 40 years. Relevant data collections such as the ÖKOBAUDAT data sets¹⁸⁾ or the BBSR tables on the service life¹⁹⁾ of building components serve as a basis for calculating or estimating life cycle costs and life cycle assessments and support the valuation of the ecological criteria of buildings.

Against this background, TAG strives to take a holistic view of material flows within the framework of resource management, i.e. across the entire property life cycle and in accordance with the circular economy principles. In accordance with internal policies, attention should be paid to the economical and efficient use of resources, the longevity and functional stability of products and materials, reuse and recovery, and recyclability, from planning and procurement to waste disposal. TAG believes that this can contribute to both lower resource consumption and the promotion of innovative waste management solutions and recycling, especially in larger construction projects.

18) <https://www.oekobaudat.de/> (unaudited)

19) <https://www.nachhaltigesbauen.de/austausch/nutzungsdauern-von-bauteilen/> (unaudited)



Like resource inflows, resource outflows in the TAG Group relate in particular to products and materials that are used in inventory management, modernisation and maintenance measures, new construction and administrative activities, e.g. as fuels or building products, as well as waste generated in this context. TAG's waste generation in Germany is mainly composed of waste from construction activities, such as building rubble. The amounts of waste generated in the course of construction projects can vary between reporting years; they are subject to fluctuations depending on the type, scope and phase of the respective construction projects. TAG's waste generation does not include any radioactive waste.

Resource outflows (waste generation) in tonnes	01/01/ – 12/31/2025	01/01/ – 12/31/2024¹⁾
Total amount	17,202.7	41,426.3
thereof diverted for recovery	15,038.7	34,931.0
a. Non-hazardous waste	15,038.7	34,931.0
i. Preparation for reuse	0.0	0.0
ii. Recycling	15,038.7	34,931.0
iii. Other recovery operations	0.0	0.0
b. Hazardous waste	0.0	0.0
i. Preparation for reuse	0.0	0.0
ii. Recycling	0.0	0.0
iii. Other recovery operations	0.0	0.0
of which destined for disposal	2,164.0	6,495.2
a. Non-hazardous waste	2,088.8	4,411.8
i. Incineration	0.0	0.0
ii. Landfilling	2,088.8	4,411.8
iii. Other disposal operations	0.0	0.0
b. Hazardous waste	75.2	2,083.5
i. Incineration	0.0	0.0
ii. Landfilling	75.2	2,083.5
iii. Other disposal operations	0.0	0.0
Amount of non-recycled waste	2,164.0	6,495.2
Percentage of non-recycled waste	12.6	15.7

1) adjusted



In the context of construction activities (in particular construction and demolition work), the following waste codes from the construction and demolition waste class (according to the European Waste Catalogue – EWC) can be considered material for TAG's construction activities:

Waste code (AVV-No.1)	Designation
17 01	Concrete, bricks, tiles and ceramics
17 02	Wood, glass and plastic
17 03	Bituminous mixtures, coal tar and tarred products
17 04	Metals (incl. alloys)
17 05	Soil, stones and dredging spoil
17 06	Insulation material and asbestos-containing construction materials
17 08	Gypsum-based construction material
17 09	Other construction and demolition wastes

Resource outflows and waste volumes are calculated on the basis of estimates derived from internal records, taking into account current legal requirements, standards and relevant waste balances²⁰⁾. The waste disposal companies commissioned by the affiliated construction companies to dispose of construction and demolition waste are legally obliged to ensure that waste is sorted by type. These requirements are passed on to the construction companies in construction and framework agreements. The estimates are based on waste quantities collected from a reference project in Germany, which were then extrapolated to all projects started and completed in the 2025 financial year. The breakdown of the total amount into hazardous and non-hazardous waste and recycling channels is based on the respective waste codes or the relevant waste balances mentioned. For business activities in Poland, data is available for resource outflows from the Company's own administration²¹⁾ (central departments, sales locations and construction offices), i.e. only waste from the Company's own operations is taken into account, not construction waste. TAG plans to expand the data collection processes for waste volumes in the construction process in the future.

20) <https://www.umweltbundesamt.de/daten/ressourcen-abfall/verwertungsquoten-der-wichtigsten-abfallarten> (unaudited)

21) The waste volumes from our own administrative activities were calculated using simplified estimates from the previous year, applying waste-specific conversion factors from 2025 onwards. The previous year's figures were also adjusted retroactively, resulting in a slight reduction compared to the figures published in the previous year.



SOCIAL INFORMATION

5. OWN WORKFORCE (ESRS S1)

ESRS 2 General disclosures

The contents of the following chapter include the material disclosures identified in the materiality assessment in accordance with ESRS S1 Own workforce. This information should be read in conjunction with the details regarding TAG's strategy set out in sections 1.8 SBM-1 – Strategy, business model and value chain and 1.9 SBM-2 – Stakeholder Interests and Perspectives. The terms 'employees' and 'own workforce' are used interchangeably hereinafter to refer to the company's own workforce.



5.1.S1-SBM-3: MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The following section presents the impacts, risks and opportunities (IROs) identified as material for the Group in relation to ESRS S1. The presentation indicates whether the respective IRO is actual (A) or potential (P) and whether it affects the Company's own operations (OO), the upstream value chain (UVC) or the downstream value chain (DVC).

S1 - Own workforce						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive Impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative Impact	Opportunities	Risks	Actions (examples)
Working conditions						
OO/A	Social security is strengthened by offering additional and social benefits, such as Company pension schemes and corporate benefits.			Ensuring good working conditions can increase employer attractiveness, resulting in lower recruiting costs and increased productivity through qualified applicants.	Skills shortages, overload and increased absenteeism, e.g. due to illness, can mean that certain activities – such as operating cost accounting, customer service processes, craftsman services or work on construction sites – can no longer be carried out or can only be carried out with delays. This risks unfulfilled orders and financial losses.	– TAG promotes the health and well-being of its employees through flexible working hours, physical and mental health programmes and a wide range of training opportunities - thereby also strengthening satisfaction with TAG as an employer. The workplaces at TAG, both in administration and in the commercial sector, are equipped with modern facilities to make it easier for employees to work.
OO/A	Maintaining a good working atmosphere and stringent work processes have a positive effect on employee satisfaction.			By investing in further training for its workforce, TAG increases employee competence, promotes innovation and enables complex challenges to be tackled efficiently.	Poor working conditions in terms of workplace equipment, occupational safety and health protection can reduce employer attractiveness and lead to a poor working atmosphere, sick leave,	



S1 - Own workforce						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive Impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative Impact	Opportunities	Risks	Actions (examples)
					staff turnover and increased recruitment costs.	
OO/A	Parental leave and flexible working time models (e.g. hybrid working) improve the work-life balance of all employees.		Employee participation, e.g. through the works council or employee representatives, employee share schemes and projects within the framework of corporate development strengthens identification and personal responsibility, thereby supporting a sustainable increase in Company value.			
		OO/A	A lack of transparency in dealing with employees can have negative effects, for example on the working atmosphere or loyalty to the Company.	A positive corporate culture can lead to higher productivity, improved quality of work results, lower sick leave rates, or lower recruitment costs with less staff turnover.		
Equal treatment and equal opportunities						
OO/A	Fair working conditions in terms of equal opportunities and diversity improve the working atmosphere, increase satisfaction and facilitate equal participation (e.g. access to jobs).	OO/A	A lack of diversity and equal opportunities can make it difficult to participate equally in working life (e.g. access to certain jobs), worsen the working atmosphere and affect employee satisfaction.			
Other labour-related rights						
					Potential failure to comply with data protection/privacy	



S1 - Own workforce						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive Impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative Impact	Opportunities	Risks	Actions (examples)
					regulations can lead to legal action, fines and damage to reputation.	



5.2.S1-SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The identified actual and potential impacts on the Company's own workforce result from TAG's strategy and business model and affect all employees. The issues identified in the materiality assessment have always been understood and considered as integral parts of our strategy. The Management Board therefore concluded that no significant adjustments to our strategy or business model were necessary based on the updated double materiality analysis in accordance with ESRS.

The TAG Group's workforce is employed on both a part-time and full-time basis. The vast majority of contracts are permanent contracts. In Poland, TAG also employs non-salaried workers who, as natural persons, provide services to companies within the TAG Group. TAG does not employ any workers, self-employed persons or persons provided by third-party companies that are primarily active in the field of labour recruitment and temporary employment.

The significant positive impacts identified result in particular from ensuring positive working conditions and employee-related rights, as well as equal treatment and equal opportunities, and apply equally to the entire TAG workforce.

The significant risks and opportunities arising from impacts and dependencies related to TAG's workforce are presented in Chapter ESRS S1 – Significant Impacts, Opportunities and Risks.

There are currently no material impacts on TAG's workforce that could result from transition plans to reduce negative environmental impacts and achieve more environmentally friendly and climate-neutral activities.

The materiality assessment did not identify any areas where there is a material risk of incidents of forced labour or child labour.

The negative impacts identified in the materiality assessment generally relate to the entire workforce. If certain individuals (or groups of individuals) are at greater risk than the rest of the workforce, these have also been identified in the materiality assessment. In our society, women, people with physical and mental disabilities, and people with a migrant background are still at greater risk of discrimination in the workplace than men or people without disabilities.

The opportunities and risks identified in the materiality assessment also relate to all groups of people within the workforce.



5.3.S1-1 – Policies related to own workforce

With regard to our social responsibility towards our employees, TAG pursues an appreciative and diverse corporate culture that is characterised by transparency and co-determination and applies to the entire workforce. This is based on the Business Principles adopted by the Management Board, the anti-discrimination policy, the rules of procedure for handling reports in accordance with the Whistleblower Protection Act, and the policy statement on respect for and compliance with human rights.

TAG attaches great importance to a high degree of personal responsibility and a pleasant working environment. Trust, respect and appreciation are anchored in the guidelines of our corporate culture and contribute significantly to the success of the Company. Employees are given the best possible support in their respective roles, e.g. through modern workplace equipment and internal and external training opportunities tailored to their needs. In addition to a standard range of training courses on personal and professional topics, individual training courses can also be arranged.

In terms of its own workforce, TAG also focuses its actions on making a positive contribution to achieving the SDGs on good health and well-being (SDG 3), gender equality (SDG 5) and decent work and economic growth (SDG 8).

The dialogue offered to employees also includes the opportunity to address criticism and complaints. Employees can contact their line managers, the HR department, the works council or the Compliance department directly via various reporting channels.

TAG is committed to respecting and complying with human rights. The United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the core labour standards of the International Labour Organisation (ILO) are authoritative. These set universal minimum standards for decent work, in particular with regard to freedom of association, the prohibition of discrimination in employment and occupation, the abolition of child and forced labour, and occupational health and safety. TAG's internal strategies are in line with these standards. For further information on procedures for safeguarding human rights, as well as on the whistleblowing system and the implementation of remedial measures in the event of potential negative impacts on human rights, please refer to Chapter 7.2 G1-1 – Policies and corporate culture. These also apply to our own employees.

Management concepts and specific procedures for the prevention of occupational accidents have been implemented in Germany and Poland. Compliance with internal guidelines is monitored and ensured by local occupational safety officers. The procedures include, in particular, safety regulations, inspections, employee training and the involvement of external consultants and occupational physicians in the area of occupational safety. Occupational safety, occupational health and safety, fire protection and first aid in emergencies are of great importance to TAG, as the health of our employees is a prerequisite for their well-being and performance.



The promotion of a diverse and equal corporate culture is enshrined in the Business Principles, the anti-discrimination policy and the policy statement on respect for and compliance with human rights. These guidelines promote equal opportunities, diversity and inclusion and prohibit discrimination. They guarantee equal treatment regardless of race and ethnic origin, skin colour, gender, sexual orientation, gender identity, disability, age, religion, ideology and political opinion, national origin or social background, and other possible characteristics of discrimination. Implementation is carried out in particular by handing out the material guidelines as part of the onboarding process for new employees and through targeted training courses, e.g. on the subject of anti-discrimination and equal treatment. Compliance is monitored by the Compliance department. Compliance is monitored by the Compliance Department. For details of the monitoring procedures and corrective measures, please refer to section **7.2 G1-1 – Policies and Corporate culture**.

No groups within our own workforce have been identified as particularly at risk or vulnerable to discrimination. There are currently no specific policy commitments regarding inclusion or support measures for potentially vulnerable groups.

5.4.S1-2 – Processes for engaging with own workers and workers' representatives about impacts

TAG involves its workforce on an ongoing and direct basis and also works with representatives such as the works council, the General Works Council, the youth and trainee representatives and the workers' representatives on the Supervisory Board. The procedures for involving and participating employee representatives in decision-making processes comply with legal requirements. In addition, information meetings with local works councils are held at regular intervals in Germany. The workforce is involved in various phases, including workshops, participation in interdisciplinary projects, team meetings and regular feedback formats such as performance reviews and employee surveys. Important issues and needs are identified in discussions with employees. Employees are also supported and encouraged to actively shape the development of the Company. For example, the workforce is regularly involved in projects to optimise and further develop internal work processes, in particular to take advantage of opportunities for internal knowledge transfer.

Operational responsibility for employee involvement lies with management. The final responsibility lies with the member of the Management Board responsible for human resources (COO/Co-CEO). In this way, TAG ensures that the perspective of the workforce is taken into account at the highest level of the Group's organisation. In addition, TAG has issued a policy statement on respect for and compliance with human rights within the Group, which also includes mechanisms for recording employee perspectives. These include employee surveys, feedback mechanisms and communication channels for reporting possible complaints or violations, e.g. of human rights, such as the prohibition of discrimination. The perspectives of employees obtained through these procedures are taken into account in decision-making and the results are communicated transparently in mutual dialogue.

The perspectives of any vulnerable groups within TAG's workforce, such as employees with impairments or disabilities, are recorded and taken into account as part of the general procedures for employee involvement.



In addition, appropriate metrics are used at least once a year to check whether marginalised groups are being included on an equal footing. This is done, for example, by monitoring the proportion of women in the workforce, in management positions, on the Management Board and Supervisory Board, and the gender pay gap.

In accordance with legal requirements, workers' representatives receive financial and organisational support, e.g. through time off for employees and the provision of the necessary infrastructure.

5.5.S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

TAG offers its employees various ways to submit criticism and complaints to the Company, including possible legal or compliance violations and human rights violations. In doing so, it promotes dialogue with its employees. Depending on the issue, employees can contact their line managers, the Human Resources department, the works council or the Compliance department. A digital reporting system is also available at all times. Other reporting channels include a form provided on the intranet and contacting the Compliance department or an external lawyer acting as an independent reporting office by telephone or post. Anonymous reports are possible.

The process for handling reports, including complaints relating to employee issues, is governed by the rules of procedure for handling reports in accordance with the Whistleblower Protection Act and published on the TAG website in the Compliance section. All reports are documented, reviewed promptly and, depending on the nature of the incident, responded to with appropriate and reasonable actions. These may include, in particular, disciplinary or labour law consequences, claims for damages or compensation for the employees concerned.

The existing procedures and channels are actively communicated to employees, e.g. by their line managers and as part of compliance training. They are accessible on the intranet and on the website in the compliance section. Feedback on trust in the complaint channels can also be submitted via these channels. Thanks to the active feedback culture within the Company, TAG is also able to identify any lack of trust in the complaint channels or ignorance of the grievance mechanisms and take countermeasures if necessary. For information on the procedures and structures designed to protect individuals and Workers' representatives, please refer to the details in Chapter 7.2 G1-1 – Policies for corporate policy and Corporate culture.



5.6.S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

TAG continuously assesses the identified material negative and positive impacts, risks and opportunities, as well as its business practices in relation to its own workforce, as part of its quarterly personnel controlling and, in addition, on an ad hoc basis based on feedback from the workforce. The aim is to ensure that its own practices do not have any material negative impacts on its own workforce. If material negative impacts are identified, TAG assesses whether and what actions are necessary to limit the extent of these impacts. The necessary resources are made available for this purpose.

To promote the health and well-being of its employees and thus strengthen their satisfaction with TAG as an employer, TAG offers flexible working hours and physical and mental health programmes. As part of these programmes, we have established a company health management system that supports sporting activities and healthcare – for example, through training courses, health days or weeks, the “Work Life Portal” health app and the organisation of joint sporting events. From the reporting year onwards, employees will also have access to a Germany-wide fitness partnership offering a wide range of sporting activities.

TAG's workplaces, both in administration and in the commercial sector, are equipped with modern facilities to make work easier for employees.

As a responsible employer, TAG also offers its employees flexible and mobile working options, trust-based working hours and flexible working time models, including guaranteed parental leave, wherever possible. There are company agreements governing the details of working from home and mobile working. In addition, employee benefits initiatives are supported, e.g. company tickets for public transport or discounted leasing of a job bike in Germany, as well as the promotion of supplementary health and life insurance in Poland.

In order to promote the professional development of its employees and in view of the shortage of skilled workers, TAG is increasingly focusing on training and further education. To this end, employees are asked about their training and development needs, and appropriate training courses are regularly made available in line with these needs. In addition to technical training and personal development courses, this also includes training on occupational safety to minimise injuries and absences, as well as on company pension schemes. Furthermore, special training courses on IT security and data protection were held during the reporting year to raise awareness and improve employees' skills in the secure handling of data and digital systems. Training courses on our Business Principles and artificial intelligence (AI) were also held to sensitise the workforce to ethical, legal and technological challenges and prepare them for dealing with new technologies. In Poland, due to construction activity, there is a focus on occupational safety on construction sites. The necessary funds are provided for all of the above-mentioned training measures.



TAG operates in a challenging rental market characterised by an increasingly complex social environment for tenants. In this context, situations can arise that require a particular level of conflict resolution skills. In order to prepare and support our employees in the best possible way, we offer targeted actions in Germany, such as training courses on conflict management. An appreciative and open corporate culture also strengthens the sense of team spirit and helps to ensure that challenges can be solved constructively together.

TAG assesses the effectiveness of the actions taken by actively seeking feedback from employees, in particular through employee surveys and annual performance reviews. If actions are deemed ineffective, the causes are analysed in detail and the actions are adjusted or supplemented accordingly. This is intended in particular to ensure that TAG's own practices do not have any material negative impacts on the Company's employees.

Material risks and opportunities arise in particular from costs caused by higher employee turnover and from positive effects resulting from high employee retention and satisfaction. The Management Board regularly assesses cost developments in the area of human resources and employee turnover on the basis of monthly personnel controlling in order to identify negative trends at an early stage and take countermeasures if necessary.

In the opinion of the Management Board, no further actions to prevent material negative impacts were necessary in the reporting year. The existing procedures and guidelines for promoting equality and inclusion will be continued.

The actions described were already implemented in the reporting year and will be continued in the future.

5.7.S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In order for employees to feel connected to TAG as an employer, it is crucial that they are satisfied with their workplace and the working culture. Against this backdrop, based on the results of previous employee surveys, the Management Board has set the goal that at least 70% of employees continue to evaluate their current work situation as "satisfied" or "very satisfied". Other stakeholders were not included in the definition of this target.

Regular employee surveys are planned to review the target. Regular reviews and feedback are intended to ensure that not only is the target value of 70% continuously achieved, but also that a working environment exists in the long term that is perceived positively by employees.



In the reporting year, a three-yearly employee survey was once again conducted in Germany in cooperation with Great Place to Work to evaluate employee satisfaction with their work situation and corporate culture. The survey not only provides a sound basis for measuring satisfaction, but also enables comparison with other companies and industries. The results of the survey show an increase in the satisfaction rate from 69% to 77% compared to the last survey. TAG also received Great Place to Work certification for Germany. This award confirms that TAG meets the high requirements and criteria for an attractive and employee-oriented corporate culture. It underlines the Company's commitment to creating a working environment that is perceived positively by its employees.

In Poland, an internal employee survey was conducted for the first time in the 2025 financial year to measure employee satisfaction. At 63%, employee satisfaction was slightly below the target of 70%.

Based on the results of the survey, concrete actions will be derived in the next step to further promote employee satisfaction and commitment. The derivation and gradual implementation of the actions are planned for the coming year and subsequent years in order to specifically address the identified potential for improvement and to strengthen working conditions and Corporate culture in the long term.

Conducting the survey regularly in collaboration with Great Place to Work ensures that it is carried out in accordance with recognised standards and that the results are highly meaningful. At the same time, employees are given the opportunity to actively provide feedback and participate in shaping their working environment. This contributes significantly to positively shaping TAG's corporate culture in the long term and creating an attractive working environment.



5.8.S1-6 – Characteristics of the undertaking's employees

The number of employees in the Group as at 31 December 2025 is broken down by gender²¹⁾ and country as follows:

Gender	12/31/2025	12/31/2024
	Number of employees (head count)	Number of employees (head count)
Male	830	781
Female	967	944
Other	-	-
Not specified	-	-
Total number of employees	1,797	1,725

Country	12/31/2025	12/31/2024
	Number of employees (head count)	Number of employees (head count)
Poland	467	413
Germany	1,330	1,312
Total number of employees	1,797	1,725

21) The Polish legal system currently only recognises the binary gender categories of male and female.



The number of employees in the Group as at 31 December 2025 is broken down by gender and type of contract as follows:

12/31/2025

Female	Male	Other	Not specified	In total
Number of employees				
967	830	0	0	1,797
Number of employees with permanent employment contracts (head count)				
834	735	0	0	1,569
Number of employees with fixed-term contracts (head count)				
133	95	0	0	228
Number of call.-off staff (head count)				
0	0	0	0	0
Number of full-time employees (head count)				
747	755	0	0	1,502
Number of part-time employees (head count)				
220	75	0	0	295

12/31/2024

Female	Male	Other	Not specified	In total
Number of employees				
944	781	0	0	1,725
Number of employees with permanent employment contracts (head count)				
796	703	0	0	1,499
Number of employees with fixed-term contracts (head count)				
148	78	0	0	226
Number of call-off staff (head count)				
0	0	0	0	0
Number of full-time employees (head count)				
724	716	0	0	1,440
Number of part-time employees (head count)				
220	65	0	0	285



The number of employees in the Group broken down by type of contract and region is as follows:

12/31/2025

Germany	Poland	In total
Number of employees		
1,330	467	1,797
Number of employees with permanent employment contracts (head count)		
1,218	351	1,569
Number of employees with fixed-term contracts (head count)		
112	116	228
Number of call-off staff (head count)		
0	0	0
Number of full-time employees (head count)		
1,049	453	1,502
Number of part-time employees (head count)		
281	14	295

12/31/2024

Germany	Poland	In total
Number of employees		
1,312	413	1,725
Number of employees with permanent employment contracts (head count)		
1,194	305	1,499
Number of employees with fixed-term contracts (head count)		
118	108	226
Number of call-off staff (head count)		
0	0	0
Number of full-time employees (head count)		
1,039	401	1,440
Number of part-time employees (head count)		
273	12	285



The option of working part-time allows our employees to organise their working hours flexibly and achieve a good work-life balance.

In the reporting year, 285 employees (previous year: 303) left the Group. This resulted in an employee turnover rate of 15.9% (previous year: 17.6%).

The data is taken from the respective personnel systems in Germany and Poland. It refers to the number of people employed as of 31 December 2025 and 2024, respectively. All employees who had an existing employment or training relationship with TAG or one of its subsidiaries on the reporting date are included.

The employee figures stated in the notes to the consolidated financial statements in the section "Headcount" are average figures for the corresponding reporting period. In addition, the financial reporting includes non-salaried employees who provide services to the TAG Group as natural persons.

5.9.S1-8 – Collective bargaining coverage and social dialogue

As a company not bound by collective agreements or applying collective agreements, TAG does not employ any staff on the basis of collective agreement employment contracts (0%).

Coverage Rate	12/31/2025		12/31/2024	
	Collective bargaining coverage	Social dialogue	Collective bargaining coverage	Social dialogue
0–19%	Germany, Poland	Poland	Germany, Poland	Poland
20–39%				
40–59%				
60–79%				
80–100%		Germany		Germany

All trainees studying to become real estate or office administrators receive the same remuneration. This is graded according to the year of training. The remuneration is based on the collective agreement for the real estate industry, for example, and is slightly above it. For all other apprenticeships, TAG bases its remuneration on the upper range of the remuneration recommendations of the Chamber of Industry and Commerce or the Chamber of Crafts.

The workers' representatives on the Supervisory Board cover 72.6% of TAG's employees (previous year: 74.5%). There was no agreement on representation by a European Works Council (Societas Europaea (SE) or Societas Cooperativa Europaea (SCE)) during the reporting period.

In order to establish social dialogue in Poland, a committee was elected by the employees at the end of the financial year, which will commence its work in 2026.



5.10. S1-9 - Diversity metrics

As of the reporting date, 66 or 43.7% (previous year: 69 or 46.3%) of the Group's top management employees are female and 85 or 56.3% (previous year: 80 or 51.7%) are male. The top management level represents the first two management levels below the Management Board and includes heads of Real Estate Management, department heads and team leaders. In addition to the 1,797 employees employed as of the reporting date (previous year: 1,725), this metric also includes managers employed as associates at the subsidiaries ROBYG and Vantage in order to ensure complete coverage of the Group's top management level.

The number of employees in the Group as of the reporting date, broken down by age, is as follows:

Age	12/31/2025	12/31/2024
under 30 years	285	276
30 - 50 years	994	934
over 50 years	518	515
Total number of employees	1,797	1,725

5.11. S1-10 – Adequate wages

TAG Group employees receive adequate wages in line with the applicable reference values (minimum wage in Germany and Poland).

5.12. S1-14 – Health and safety metrics

The health of employees is essential for their well-being and performance. That is why occupational safety, health and safety, fire protection and first aid in emergencies are of great importance at TAG and apply to the entire workforce in Germany and Poland. Employees are trained as safety officers, fire safety assistants, first aiders and evacuation assistants.

All employees receive training from their supervisors on occupational health and safety issues at least once a year. In addition, regular safety training courses are held for industrial employees on the proper use of equipment and tools. We provide our field staff with task-specific protective clothing. All employees can also find information on health and safety topics on the intranet.

Evacuation drills are carried out every year. Regular checks on safety-related topics are carried out at the various sites.

For several years now, external specialists have been responsible for occupational health and safety and medicine at TAG. This ensures that all legal requirements are met. They regularly attend the Occupational Safety Committee (ASA meeting) meetings with the occupational safety officer and the local works councils and safety officers. In addition, the actions implemented during the year, occupational accidents and findings from workplace inspections are evaluated annually together with the external consultants.



In the new construction sector in Poland, occupational health and safety tasks and training are also carried out with the help of external occupational health and safety service providers. Particular attention is paid to occupational safety and health protection on construction sites. A system of safety regulations, regular training and weekly inspections is also in place here to ensure the health and safety of our own employees and subcontractors.

100% of employees are covered by occupational health and safety and health management actions.

In the reporting year, there were 35 accidents at work in the Group (previous year: 63), mainly commuting accidents and minor injuries without significant downtime during work by caretakers and craftsmen as well as work on construction sites. This corresponds to an accident rate of 11 (previous year: rate of 21). In the reporting year and in the previous year, there were no work-related fatalities among either our own employees or other workers employed at the Company's sites.

5.13. S1-16 – Compensation metrics (pay gap and total compensation)

The gender pay gap within the Group was 7.3% in the reporting period (previous year: 7.4%), meaning that the average gross hourly earnings of male employees were 7.3% higher than those of female employees. The ratio of the remuneration of the highest-paid individual to the median of the total remuneration of all other employees (known as the "total remuneration ratio") is 25.2 (previous year: 25.2).

The above figures refer to the total remuneration of employees in the reporting period, taking into account the target working hours and excluding the Management Board. The underlying volume structure corresponds to the number of employees as at 31 December 2025. The gender pay gap is calculated taking into account all employees, excluding the Management Board.



5.14. S1-17 – Incidents, complaints and severe human rights impacts

In the 2025 financial year, seven reports (previous year: four) of suspected discrimination (including harassment) were submitted to the Compliance department. One of these reports was submitted by the Company's own workforce and was dealt with in accordance with labour law. The other reports did not confirm the suspected cases.

Thirteen cases (previous year: twelve) were reported via channels through which the Company's own workforce can express concerns. As in the previous year, no severe human rights violations in connection with TAG employees were identified in the 2025 financial year.

No fines or damages were payable in this context and no sanctions were imposed.

6. INFORMATION PURSUANT TO SECTION 289C (2) NO. 3 OF THE GERMAN COMMERCIAL CODE (HGB)

TAG Immobilien AG assumes social responsibility and is actively committed to promoting social issues in the residential areas it manages. The aim is to create stable neighbourhoods, enable social participation and improve the quality of life of tenants in the long term.

Relationships with local communities

In cooperation with cities, municipalities and social institutions, TAG supports social infrastructure projects that promote community life among residents. There are meeting places in various neighbourhoods that serve as contact points for community activities and social support.

Actions to promote the common good

As part of its cooperation with the non-profit association Jumpers, TAG supports children's and family centres that provide educational and leisure activities. TAG is committed to bringing together environmental sustainability, social responsibility, quality of life and a focus on the future, thereby enabling people on low incomes to experience community and appreciation. Cooperation with partners such as Jumpers and Sempers in particular contributes to the development of liveable and affordable neighbourhoods.

Social projects and social engagement

TAG supports charitable initiatives, particularly in the areas of education, sport and cultural integration.

Impacts of business activities on society

By providing affordable housing, TAG actively contributes to social diversity and ensures that tenants from different social classes can live together in their neighbourhoods.



GOVERNANCE INFORMATION

7. BUSINESS CONDUCT (ESRS G1)



7.1.G1. SBM-3: Material impacts, risks and opportunities

The following section presents the impacts, risks and opportunities (IROs) identified as material for the Group in relation to ESRs G1. The presentation indicates whether the respective IRO is actual (A) or potential (P) and whether it affects the Company's own operations (OO), the upstream value chain (UVC) or the downstream value chain (DVC).

G1 – Business conduct						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive Impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative Impact	Opportunities	Risks	Actions (examples)
Compliance system						
OO/A	The governance systems in place promote a corporate culture of integrity and enhance stakeholders' confidence in TAG's business activities and in fair and transparent business relationships.	OO/P	As a major residential property company, TAG has a social responsibility. Unlawful and unethical conduct, e.g. through corrupt practices in the context of commissioning work or concluding contracts, can lead to competitive disadvantages and a loss of trust among the public and society.	Robust policies, controls, training and whistleblowing procedures enhance integrity and confidence in TAG's corporate value.	If cases of corruption occur within the company or in the value chain, this can lead to reputational damage, as well as criminal and civil sanctions.	Establishment of a comprehensive compliance system with appropriate guidelines, controls and preventive measures.
Compliance						
OO/A	A transparent, trust-based corporate culture and the achievement of sustainability goals promote regulatory compliance, engagement and a positive contribution for employees and stakeholders.	OO/A	Conflicting stakeholder interests give rise to conflicting objectives, and it is not possible to meet all stakeholder expectations and interests equally.		A lack of safety measures, inappropriate working conditions and human rights violations among business partners/suppliers can lead to claims for recourse and a damaged reputation.	Working towards a transparent corporate culture that safeguards stakeholder interests and minimises liability risks.
					Employee behaviour that runs counter to the established corporate culture carries the risk of fines and thus financial risks.	
Whistleblower system						



G1 – Business conduct						
Settlement (OO/UVC/DVC)/ Status (A/P)	Positive Impacts	Settlement (OO/UVC/DVC)/ Status (A/P)	Negative Impact	Opportunities	Risks	Actions (examples)
		OO/P	Non-functioning whistleblower systems can lead to violations not being publicised and not being contained.			Establishment of a whistleblowing system with appropriate safeguards for whistleblowers.
Management of relationships with suppliers						
OO/UVC/P	Maintaining long-term and stable relationships with local suppliers can have a positive impact on the local economy.			Respecting and adhering to the principles of the Business Partner Code supports long-term partnerships and good supplier relationships. This enables attractive tender prices, pragmatic problem-solving and financial stability to be achieved.	Dependence on upstream and downstream business partners/suppliers gives rise to financial risks (e.g. breach of contract, supplier failure, price increases, shortage of skilled labour/capacity).	Establishment of a binding Business Partner Code.



7.2.G1-1 – Policies relating to corporate policy and corporate culture

TAG has implemented a compliance programme that supports compliance with legal and internal requirements in its business activities and promotes a corporate culture of integrity.

Our actions in accordance with human rights are guided by our policy statement on respect for and compliance with human rights. This is based on the United Nations Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organisation (ILO) core labour standards.

Our Business Principles form the basis of our internal guidelines and work instructions. These specify and supplement the Business Principles and must be observed. The Business Principles apply to all TAG employees, including the Management Board. They include regulations on business relationships, non-competition clauses, conflicts of interest and data protection. The Compliance department supports the implementation of and compliance with the Business Principles. Violations of TAG's Business Principles will be consistently punished and, if necessary, prosecuted under labour and civil law.

We also expect our business partners to behave in a manner that is legally compliant and ethically sound. To this end, we have a Business Partner Code, which also includes human rights due diligence obligations and is published on our website. Proven violations of this code will not be tolerated and will result in appropriate sanctions. Depending on the severity of the violation, this may include the temporary or permanent termination of the business relationship.

The Compliance Management System (CMS) is a central component of TAG's monitoring mechanisms (risk management, internal control system and internal audit system). The CMS supports compliance with relevant legal provisions, regulatory requirements and internal standards, reduces risks and strengthens stakeholder confidence. It is structured around the elements of prevention, detection and response.

Prevention is ensured in particular by the risk-based compliance framework and regular compliance and data protection training. The Compliance department and the internal data protection management team, in consultation with the external data protection officer, advise the specialist departments.

Risk analyses, ad hoc investigations and the whistleblower system enable the identification of compliance violations and risks. If a compliance violation is confirmed, the necessary and appropriate actions are taken immediately to remedy the situation. The structured process for identifying and reviewing violations serves to minimise legal and reputational risks and supports a responsible corporate culture.

The CMS is continuously developed on the basis of regular risk analyses, the evaluation of reports/violations and the results of internal audits. The findings are systematically incorporated into the design and updating of guidelines/work instructions, process flows and training courses.



A whistleblower system is available to external stakeholders and employees in the value chain, as well as to our own employees, for reporting actual or suspected legal and compliance violations. Human rights and environmental risks or violations under the Supply Chain Due Diligence Act (LkSG) can also be reported via this system.

Reports can be submitted through a digital whistleblower system via post, telephone, email or in person to the Compliance department or to an external compliance lawyer; anonymous reporting is possible. The rules of procedure published on our website in accordance with the Whistleblower Protection Act (HinSchG) and the LkSG describe the reporting channels, the procedure, the responsibilities and the protection of whistleblowers.

Incoming reports are promptly reviewed by the compliance officer appointed by the Management Board, who acts independently, is not bound by instructions and is impartial. Depending on the content of the report, specialist departments such as Human Resources, Data Protection and Purchasing are involved. The identity of the whistleblower is protected in accordance with data protection regulations; discrimination and reprisals are not tolerated.

Depending on the nature of the violation, appropriate remedial and follow-up actions are taken, such as disciplinary or labour law actions, civil law claims or, if necessary, criminal-law measures. We use the results of internal investigations to review and further develop our work and compliance processes.

Another key component of the CMS is employee training. The aim is to provide a sound understanding of relevant legal requirements and compliance-related issues. We conduct regular Group-wide training courses on compliance and data protection. Departments with increased risk, such as Central Technology, the rental business, and the Acquisition and Sales departments, receive in-depth information and specific advice.

In the reporting year, Group-wide training courses were held on the basics of compliance (Business Principles) and basic knowledge of data protection. In addition, employees in the relevant business areas completed in-depth training on money laundering prevention and combating money laundering in the reporting year. The training of the relevant business areas on human rights in the supply chain, which began in the previous year, was completed.

7.3.G1-2 – Management of relationships with suppliers

TAG is committed to fair business practices and compliance with social and environmental standards throughout the entire supply chain. Transparency and regular dialogue are important to us in our cooperation with our suppliers. In addition to professional cooperation, we engage in regular exchanges on relevant topics, such as updated reporting requirements from the EU taxonomy and the LkSG. Our supplier relationships and procurement management are controlled across the Group by the Central Purchasing department in accordance with the purchasing guidelines and based on environmental and economic considerations. Specific individual orders are placed in the LIM regions. Material requirements are set out in the purchasing guidelines and the Business Partner Code, as well as in our principles and guidelines for environmentally and socially responsible procurement. These include legal regulations and standards, including anti-corruption, anti-discrimination, compliance with human rights, and social and environmental standards.



Procurement is carried out via framework agreements that incorporate compliance requirements and sustainability standards. The majority of our construction service providers are also connected to the online portal “Handwerkerkopplung” (craftsman portal) for the refurbishment of vacant apartments and partial maintenance in Germany. This ensures speedy and paperless processing of orders and thus contributes in particular to preventing late payments due to time-consuming invoicing processes, especially for small and medium-sized enterprises. Once the service has been internally approved, the respective order is invoiced and paid using the credit note procedure. Eleven interior construction trades are currently connected to the craftsman portal. We regularly evaluate the services of our suppliers. The primary assessment based on economic criteria and sustainability matters is carried out by the Central Purchasing department.

Service monitoring forms the second level of valuation. On the one hand, tenants can evaluate the performance of subcontractors, and on the other hand, employees also carry out a valuation. In addition, framework agreements are continuously monitored, with test certificates, quality reports and controlling reports being evaluated, among other things.

Service providers are selected using standardised and transparent tendering processes. In addition to the offer price and professional suitability, important decision-making criteria include reliability, quality, regionality, and social and ecological criteria. TAG focuses its cooperation primarily on regional partners who operate in close proximity to the managed portfolio and our business processes. In the reporting year, around 98% (previous year: 98%) of the framework agreement partners in the construction services sector in Germany were regionally active companies. Due to the predominantly regional supply chains and the strictly controlled legislation applicable in Germany and Europe (e.g. compliance with human rights, prohibition of child and forced labour, prohibition of corruption, prohibition of discrimination, labour laws, environmental protection laws), the Management Board believes that there is no increased risk of child, forced labour or illegal labour among our suppliers.

Nevertheless, to ensure that TAG's suppliers consistently adhere to the guidelines, these are explicitly anchored in the supplier contracts via the TAG Business Partner Code and are communicated to suppliers in the context of tenders. The Business Partner Code is also integrated into the craftsman portal in Germany and published on the TAG website. TAG expressly points out that business partners must ensure that all goods to be delivered to TAG, e.g. materials and installed products, have been procured or manufactured in compliance with the applicable legal situation and human rights. TAG does not accept any deviations from the relevant labour and social standards to which we are expressly committed. These include, in particular, the ILO core labour standards, the prohibition of forced and child labour, freedom of association, the right to form trade unions, the right to equal wage for equal work for women and men, and the elimination of discrimination in working life.

Existing supplier or framework agreements are regularly reviewed for necessary additions to sustainability criteria and adjusted accordingly. For example, all external service providers undertake to comply with environmental protection regulations when disposing of waste. By requiring our suppliers to provide regular training for their employees, we aim to ensure that TAG's quality and quantity requirements are met. This includes, for example, dealing with the craftsman portal and the documentation. These skills form the basis for ensuring that services are provided on time and to the agreed extent. If contractual requirements are not met, the cooperation will be terminated.



Health and safety, sustainable and partially recyclable materials and natural raw materials, social aspects and standards, and fair business practices also play an important role in procurement. The relevant product and material properties are specified in service specifications. TAG attempts to exclude or minimise further risks by including specific requirements in the terms and conditions of tenders and contracts. This is also explicitly anchored in the principles and guidelines for environmentally and socially responsible procurement (Green & Social Procurement Policy).

Bidders who have violated the German Posted Workers Act (AEntG) and have been fined will not be considered. In order to minimise this risk, TAG therefore requires each supplier to provide self-disclosure information.

Further steps will be taken in the event of non-compliance with our requirements or violations of our Business Partner Code. Proven violations can lead to temporary or permanent exclusion from the awarding of contracts or to the termination of the existing business relationship and contractual relationship, as well as to claims for damages.

We have also formulated criteria for sustainability in our supply chain for new construction projects in Poland. These are being further harmonised for various areas of the supply chain, taking into account country-specific regulations.

7.4.G1-3 – Prevention and detection of corruption and bribery

Preventing and combating corruption is of central importance for the sustainable success of TAG and for our stakeholders. We do not tolerate corruption by employees or business partners. Employees and external stakeholders can report misconduct or suspected misconduct via the whistleblower system – anonymously if desired – so that we can respond at an early stage and avert damage.

Material instruments for preventing corruption include the Business Principles, the anti-corruption guidelines, the authorisation and signing guidelines (dual control principle), the purchasing guidelines and the donations guidelines. These regulate responsibilities, structures and processes. The Business Principles are part of the onboarding process, and the guidelines are published on the intranet. Employees are informed and trained about the content and any changes. In this way, we ensure knowledge and understanding of the relevant compliance requirements.

For our business partners, the anti-corruption guidelines and a leaflet on preventing and combating corruption are published on our website. They explain our “zero tolerance principle”, actions to prevent corruption and the expected behaviour in cases of suspicion.

Checks for corruption and bribery risks are carried out routinely. To this end, processes have been implemented that include, in particular, the dual control principle, business partner checks, reporting obligations (for invitations, gifts and potential conflicts of interest) and automated controls (e.g. multiple payments, multiple creditors, payments abroad). In addition, the Internal Audit department regularly checks specialist areas for corresponding risks.



During the financial year, mandatory training courses on the Business Principles and on preventing and combating money laundering were conducted as e-learning courses. Training on the basics of data protection was also provided. The training on the Business Principles teaches TAG's most important compliance rules and explains compliant behaviour, including corporate culture, occupational health and safety, conflicts of interest, company property, human rights, money laundering prevention, anti-corruption, competition law, information security and behaviour in emergencies. The training on money laundering prevention and combating money laundering provides an in-depth look at the legal basis. The mechanisms of money laundering are explained and case studies are used to sensitise participants to important principles and due diligence obligations in money laundering prevention. The data protection training course provides a practical explanation of the basic requirements of the European General Data Protection Regulation (EU GDPR) and, in Germany, the Federal Data Protection Act (BDSG).

The training courses were provided via a digital training system. Interactive learning content was supplemented by knowledge tests with a certificate of completion.

The aim is to enable TAG employees to recognise critical situations and act appropriately. Employees, members of the Management Board and members of the Supervisory Board alike took part in the basic compliance training on the Business Principles. In addition, employees and members of the Management Board took part in the data protection training. The training on money laundering prevention and combating money laundering was completed by employees in the relevant business areas (in particular Acquisition/Sales, Central Purchasing, Central Technology, Rental Business), members of the Management Board and members of the Supervisory Board. The participation rate for all training courses was 100% (Germany). In addition, 100% of employees and members of the Management Board in Poland also completed compliance training.

The compliance officer reports to the Management Board at least once a year and as required. The Annual Report covers the categories and content of the reports received (notifications and approval processes), material topics of the reporting year, training rates, results from the review of guidelines, processes and control measures, and the ongoing development of the CMS. The Supervisory Board is also informed regularly and on an ad hoc basis about current compliance issues.

7.5.G1-4 – Incidents relating to corruption or bribery

As in the previous year, there were no confirmed incidents of corruption or bribery involving employees or business partners during the financial year. Accordingly, as in the previous year, no sanctions, legal proceedings or contract terminations with business partners were initiated in connection with incidents of corruption.



7.6.G1-6 – Payment practices

Invoices are paid by TAG in Germany immediately after internal approval or within the statutory payment period of 30 days after receipt of the invoice. If different payment terms have been agreed with suppliers, e.g. payment within 10 days of receipt of the invoice, the invoices are due for payment within the agreed periods. The paperless credit note system used by the craftsman portal in Germany contributes to the prompt settlement of invoices.

In Poland, an internal procedure governs the processing of cost accounting payments and defines the requirements for the entire invoice workflow. This procedure includes, among other things, the entry of invoices into the Group's finance and accounting system, verification, approval, content review, accounting and final payment. A fixed completion period is defined for each phase of this process.

The terms of payment for construction work and the purchase of building materials are governed by agreements with subcontractors. For contracts for construction work and materials, the standard payment period is 30 days from the date of delivery of a duly issued invoice by the contractor, together with a progress report approved by both parties and the necessary declarations by the contractor.

The terms of payment for other services and materials are specified individually in the contract or order. Depending on the agreement, payment terms of 7, 14, 21 or 30 days are specified. The terms of payment may not exceed the statutory period of 30 days. The terms of payment for other services and materials are negotiated individually, taking into account the significance of the order.

Individually agreed payment terms applied to c. 12% (previous year: 15%) of invoices in Germany in the 2025 financial year; the remaining portion was processed in accordance with the statutory payment period. The average time taken to settle an invoice from the start of the contractual or statutory payment period was five days in Germany in the 2025 financial year (previous year: five days). In Poland, this period was 17 days (previous year: 22 days). The significantly longer period in Poland is due, among other things, to the fact that invoice verification in the project development business takes considerably longer than for other invoices due to the complex construction invoices.

At Group level, the average time taken to settle an invoice in the 2025 financial year was five days, compared with six days in the previous year.

The processing time was determined in Germany using a system-based query. In Poland, the processing time was determined on the basis of a sample of invoices. A weighted average was calculated for the Group.

As in the previous year, there were no legal proceedings pending for late payment as of the reporting date.

TAG Immobilien AG Hamburg/Germany

Assurance report of the Independent German Public Auditor on a limited assurance engagement in relation to the combined sustainability statement included in the combined management report for the financial year from 1 January to 31 December 2025

TRANSLATION

– German version prevails –

Appendices

- 1 The combined sustainability statement of TAG Immobilien AG, Hamburg/Germany, included in the combined management report for the financial year from 1 January to 31 December 2025 including the sustainability information incorporated by reference**

General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/de/UeberUns to learn more.

**ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR ON A LIMITED ASSURANCE
ENGAGEMENT IN RELATION TO THE COMBINED SUSTAINABILITY STATEMENT**

To TAG Immobilien AG, Hamburg/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Sustainability Statement of TAG Immobilien AG, Hamburg/Germany, combining the Consolidated Sustainability Statement and the Non-Financial Statement of the parent, included in the section “Combined Sustainability Statement 2025” of the combined management report for the parent and the group, for the financial year from 1 January to 31 December 2025 (hereafter referred to as “the Combined Sustainability Statement”). The Combined Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Sections 289b to 289e, 315b and 315c German Commercial Code (HGB) for a combined non-financial statement.

Not subject to our assurance engagement are the references to information of the Company outside of the combined management report marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Combined Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 289b to 289e, 315b and 315c HGB for a combined non-financial statement, and the specifying criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe

- that the Consolidated Sustainability Statement included in the accompanying Combined Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Consolidated Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in the section “General Disclosures (ESRS 2)” of the Consolidated Sustainability Statement, or
- that the disclosures in the Combined Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

We do not express an assurance conclusion on the above-mentioned parts of the Combined Sustainability Statement that were not covered by our assurance engagement.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Combined Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Combined Sustainability Statement

The executive directors are responsible for the preparation of the Combined Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a combined sustainability statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Combined Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Combined Sustainability Statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Combined Sustainability Statement.

Inherent Limitations in Preparing the Combined Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Combined Sustainability Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Combined Sustainability Statement is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Combined Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Combined Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the Combined Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism. We also

- obtain an understanding of the process used to prepare the Combined Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Combined Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Combined Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Combined Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Combined Sustainability Statement, and about the internal controls related to this process.
- evaluated the reporting policies used by the executive directors to prepare the Combined Sustainability Statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Combined Sustainability Statement.
- considered the presentation of the information in the Combined Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Sustainability Statement.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” dated 1 January 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Hamburg/Germany, 17 March 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Annika Deutsch

Wirtschaftsprüferin

(German Public Auditor)

Signed:

Maximilian Freiherr v. Perger

Wirtschaftsprüfer

(German Public Auditor)